

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2302**  
**95TH GENERAL ASSEMBLY**

5278L.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.049, 144.100, 144.526, 144.625, 144.655, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 221.407, 238.235, 238.410, and 644.032, RSMo, and to enact in lieu thereof forty-nine new sections relating to the implementation of the streamlined sales and use tax agreement, with an effective date.

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

Section A. Sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.049, 144.100, 144.526, 144.625, 144.655, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 221.407, 238.235, 238.410, and 644.032, RSMo, are repealed and forty-nine new sections enacted in lieu thereof, to be known as sections 32.070, 32.086, 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.049, 144.100, 144.105, 144.526, 144.625, 144.655, 144.1025, 144.1028, 144.1031, 144.1034, 144.1037, 144.1040, 144.1043, 144.1046, 144.1049, 144.1052, 144.1055, 144.1058, 144.1061, 144.1064, 144.1070, 144.1073, 144.1076, 221.407, 238.235, 238.410, and 644.032, to read as follows:

**32.070. 1. The director of the department of revenue shall enter into the streamlined sales and use tax agreement with one or more states to simplify and modernize sales and use tax administration in order to substantially reduce the burden of tax compliance for all sellers and for all types of commerce. In furtherance of the streamlined sales and use tax agreement, the director of the department of revenue may act jointly with other states that are members of the streamlined sales and use tax agreement to establish**

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.

7 standards for certification of a certified service provider and certified automated system  
8 and establish performance standards for multistate sellers.

9       2. The director of the department of revenue may take other action reasonably  
10 required to implement the provisions set forth in the streamlined sales and use tax  
11 administration act, including, but not limited to, the promulgation of rules and the joint  
12 procurement, with other member states, of goods and services in furtherance of the  
13 streamlined sales and use tax agreement.

14       3. The director of the department of revenue or the director's designee may  
15 represent this state before the other states that are signatories to the streamlined sales and  
16 use tax agreement.

17       4. The department of revenue shall promulgate rules necessary to implement the  
18 provisions of the streamlined sales and use tax agreement. Any rule or portion of a rule,  
19 as that term is defined in section 536.010 that is created under the authority delegated in  
20 this section shall become effective only if it complies with and is subject to all of the  
21 provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536  
22 are nonseverable and if any of the powers vested with the general assembly pursuant to  
23 chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are  
24 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
25 proposed or adopted after January 1, 2012, shall be invalid and void.

      32.086. Notwithstanding any other provision of law, for all local sales and use taxes  
2 collected by the department and remitted to a political jurisdiction or taxing district, the  
3 department shall remit one percent of the amount collected to the general revenue fund to  
4 offset the cost of collection, unless a greater amount is specified in the local sales and use  
5 tax law. The department shall not commingle the remaining amounts collected with  
6 general revenues and shall remit the remaining amounts collected to the political  
7 jurisdiction or taxing district less any credits for erroneous payments, overpayments, and  
8 dishonored checks.

      32.087. 1. Within ten days after the adoption of any ordinance or order in favor of  
2 adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing  
3 entity, the governing body or official of such taxing entity shall forward to the director of revenue  
4 by United States registered mail or certified mail a certified copy of the ordinance or order. The  
5 ordinance or order shall reflect the effective date thereof.

6       2. Any local sales tax so adopted shall become effective on the first day of the second  
7 calendar quarter after the director of revenue receives notice of adoption of the local sales tax,  
8 except as provided in subsection [18] 17 of this section.

9       3. Every retailer within the jurisdiction of one or more taxing entities which has imposed  
10 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along  
11 with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when

12 added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser  
13 to the retailer until paid, and shall be recoverable at law in the same manner as the purchase  
14 price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the  
15 rates, multiplying the combined rate times the amount of the sale.

16 4. [The brackets required to be established by the director of revenue under the  
17 provisions of section 144.285, RSMo, shall be based upon the sum of the combined rate of the  
18 state sales tax and all local sales taxes imposed under the provisions of the local sales tax law.

19 5.] The ordinance or order imposing a local sales tax under the local sales tax law shall  
20 impose upon all sellers a tax for the privilege of engaging in the business of selling tangible  
21 personal property or rendering taxable services at retail to the extent and in the manner provided  
22 in sections 144.010 to 144.525, RSMo, and the rules and regulations of the director of revenue  
23 issued pursuant thereto; except that the rate of the tax shall be the sum of the combined rate of  
24 the state sales tax or state highway use tax and all local sales taxes imposed under the provisions  
25 of the local sales tax law.

26 [6.] 5. On and after the effective date of any local sales tax imposed under the provisions  
27 of the local sales tax law, the director of revenue shall perform all functions incident to the  
28 administration, collection, enforcement, and operation of the tax, and the director of revenue  
29 shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes  
30 authorized under the authority of the local sales tax law. All local sales taxes imposed under the  
31 local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri  
32 shall be collected together and reported upon such forms and under such administrative rules and  
33 regulations as may be prescribed by the director of revenue.

34 [7.] 6. All applicable provisions contained in sections 144.010 to 144.525, RSMo,  
35 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall  
36 apply to the collection of any local sales tax imposed under the local sales tax law except as  
37 modified by the local sales tax law.

38 [8.] 7. All exemptions granted to agencies of government, organizations, persons and to  
39 the sale of certain articles and items of tangible personal property and taxable services under the  
40 provisions of sections 144.010 to 144.525, RSMo, as these sections now read and as they may  
41 hereafter be amended, it being the intent of this general assembly to ensure that the same sales  
42 tax exemptions granted from the state sales tax law also be granted under the local sales tax law,  
43 are hereby made applicable to the imposition and collection of all local sales taxes imposed  
44 under the local sales tax law.

45 [9.] 8. The same sales tax permit, exemption certificate and retail certificate required by  
46 sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales tax  
47 shall satisfy the requirements of the local sales tax law, and no additional permit or exemption  
48 certificate or retail certificate shall be required; except that the director of revenue may prescribe

49 a form of exemption certificate for an exemption from any local sales tax imposed by the local  
50 sales tax law.

51 [10.] 9. All discounts allowed the retailer under the provisions of the state sales tax law  
52 for the collection of and for payment of taxes under the provisions of the state sales tax law are  
53 hereby allowed and made applicable to any local sales tax collected under the provisions of the  
54 local sales tax law.

55 [11.] 10. The penalties provided in section 32.057 and sections 144.010 to 144.525,  
56 RSMo, for a violation of the provisions of those sections are hereby made applicable to  
57 violations of the provisions of the local sales tax law.

58 [12.] 11. (1) For the purposes of any local sales tax imposed by an ordinance or order  
59 under the local sales tax law, all sales, except the sale of motor vehicles, trailers, boats, and  
60 outboard motors, shall be [deemed to be consummated at the place of business of the retailer  
61 unless the tangible personal property sold is delivered by the retailer or his agent to an  
62 out-of-state destination. In the event a retailer has more than one place of business in this state  
63 which participates in the sale, the sale shall be deemed to be consummated at the place of  
64 business of the retailer where the initial order for the tangible personal property is taken, even  
65 though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or  
66 billing. A sale by a retailer's agent or employee shall be deemed to be consummated at the place  
67 of business from which he works] **sourced as provided by sections 144.1034 and 144.1037.**

68 (2) For the purposes of any local sales tax imposed by an ordinance or order under the  
69 local sales tax law, all sales of motor vehicles, trailers, boats, and outboard motors shall be  
70 deemed to be consummated at the residence of the purchaser and not at the place of business of  
71 the retailer, or the place of business from which the retailer's agent or employee works.

72 (3) For the purposes of any local tax imposed by an ordinance or under the local sales  
73 tax law on charges for mobile telecommunications services, all taxes of mobile  
74 telecommunications service shall be imposed as provided in the Mobile Telecommunications  
75 Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended.

76 [13.] 12. Local sales taxes imposed pursuant to the local sales tax law on the purchase  
77 and sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and  
78 remitted by the seller, but shall be collected by the director of revenue at the time application is  
79 made for a certificate of title, if the address of the applicant is within a taxing entity imposing  
80 a local sales tax under the local sales tax law.

81 [14.] 13. The director of revenue and any of his deputies, assistants and employees who  
82 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,  
83 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the  
84 director of revenue under the provisions of the local sales tax law shall enter a surety bond or  
85 bonds payable to any and all taxing entities in whose behalf such funds have been collected  
86 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;

87 but the director of revenue may enter into a blanket bond covering himself and all such deputies,  
88 assistants and employees. The cost of any premium for such bonds shall be paid by the director  
89 of revenue from the share of the collections under the sales tax law retained by the director of  
90 revenue for the benefit of the state.

91 [15.] 14. The director of revenue shall annually report on his management of each trust  
92 fund which is created under the local sales tax law and administration of each local sales tax  
93 imposed under the local sales tax law. He shall provide each taxing entity imposing one or more  
94 local sales taxes authorized by the local sales tax law with a detailed accounting of the source  
95 of all funds received by him for the taxing entity. Notwithstanding any other provisions of law,  
96 the state auditor shall annually audit each trust fund. A copy of the director's report and annual  
97 audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

98 [16.] 15. Within the boundaries of any taxing entity where one or more local sales taxes  
99 have been imposed, if any person is delinquent in the payment of the amount required to be paid  
100 by him under the local sales tax law or in the event a determination has been made against him  
101 for taxes and penalty under the local sales tax law, the limitation for bringing suit for the  
102 collection of the delinquent tax and penalty shall be the same as that provided in sections  
103 144.010 to 144.525, RSMo. Where the director of revenue has determined that suit must be filed  
104 against any person for the collection of delinquent taxes due the state under the state sales tax  
105 law, and where such person is also delinquent in payment of taxes under the local sales tax law,  
106 the director of revenue shall notify the taxing entity in the event any person fails or refuses to pay  
107 the amount of any local sales tax due so that appropriate action may be taken by the taxing entity.

108 [17.] 16. Where property is seized by the director of revenue under the provisions of any  
109 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax  
110 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any  
111 tax imposed by the local sales tax law, the director of revenue shall permit the taxing entity to  
112 join in any sale of property to pay the delinquent taxes and penalties due the state and to the  
113 taxing entity under the local sales tax law. The proceeds from such sale shall first be applied to  
114 all sums due the state, and the remainder, if any, shall be applied to all sums due such taxing  
115 entity.

116 [18.] 17. If a local sales tax has been in effect for at least one year under the provisions  
117 of the local sales tax law and voters approve reimposition of the same local sales tax at the same  
118 rate at an election as provided for in the local sales tax law prior to the date such tax is due to  
119 expire, the tax so reimposed shall become effective the first day of the first calendar quarter after  
120 the director receives a certified copy of the ordinance, order or resolution accompanied by a map  
121 clearly showing the boundaries thereof and the results of such election, provided that such  
122 ordinance, order or resolution and all necessary accompanying materials are received by the  
123 director at least thirty days prior to the expiration of such tax. Any administrative cost or

124 expense incurred by the state as a result of the provisions of this subsection shall be paid by the  
125 city or county reimposing such tax.

126 **18. If the boundaries of a city in which a sales tax has been imposed shall thereafter**  
127 **be changed or altered, the city clerk shall forward to the director of revenue by United**  
128 **States registered mail or certified mail a certified copy of the ordinance adding or**  
129 **detaching territory from the city within ten days of adoption of the ordinance. The**  
130 **ordinance shall reflect the effective date of the ordinance and shall be accompanied by a**  
131 **map of the city clearly showing the territory added or detached from the city boundaries.**  
132 **Upon receipt of the ordinance and map, the tax imposed under the local sales tax law shall**  
133 **be effective in the added territory or abolished in the detached territory on the first day of**  
134 **the second calendar quarter after the director of revenue receives notice of the boundary**  
135 **change.**

67.576. 1. The following provisions shall govern the collection of the tax imposed by  
2 the provisions of sections 67.571 to 67.577:

3 (1) All applicable provisions contained in sections 144.010 to 144.510, RSMo,  
4 governing the state sales tax and section 32.057, RSMo, the uniform confidentiality provision,  
5 shall apply to the collection of the tax imposed by the provisions of sections 67.571 to 67.577;

6 (2) All exemptions granted to agencies of government, organizations, and persons under  
7 the provisions of sections 144.010 to 144.510, RSMo, are hereby made applicable to the  
8 imposition and collection of the tax imposed by sections 67.571 to 67.577.

9 2. The same sales tax permit, exemption certificate and retail certificate required by  
10 sections 144.010 to 144.510, RSMo, for the administration and collection of the state sales tax  
11 shall satisfy the requirements of sections 67.571 to 67.577, and no additional permit or  
12 exemption certificate or retail certificate shall be required; except that, the director of revenue  
13 may prescribe a form of exemption certificate for an exemption from the tax imposed by sections  
14 67.571 to 67.577.

15 3. All discounts allowed the retailer pursuant to the provisions of the state sales tax law  
16 for the collection of and for payment of taxes pursuant to that act are hereby allowed and made  
17 applicable to any taxes collected pursuant to the provisions of sections 67.571 to 67.577.

18 4. The penalties provided in section 32.057, RSMo, and sections 144.010 to 144.510,  
19 RSMo, for a violation of those acts are hereby made applicable to violations of the provisions  
20 of sections 67.571 to 67.577.

21 5. [For the purposes of the sales tax imposed by an order pursuant to sections 67.571 to  
22 67.577, all retail sales shall be deemed to be consummated at the place of business of the  
23 retailer.] **Except as provided in sections 67.571 to 67.577, all provisions of sections 32.085**  
24 **and 32.087 shall apply to the tax imposed under section 67.571 to 67.577.**

67.582. 1. The governing body of any county, except a county of the first class with a  
2 charter form of government with a population of greater than four hundred thousand inhabitants,

3 is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half  
4 of one percent on all retail sales made in such county which are subject to taxation under the  
5 provisions of sections 144.010 to 144.525, RSMo, for the purpose of providing law enforcement  
6 services for such county. The tax authorized by this section shall be in addition to any and all  
7 other sales taxes allowed by law, except that no ordinance or order imposing a sales tax under  
8 the provisions of this section shall be effective unless the governing body of the county submits  
9 to the voters of the county, at a county or state general, primary or special election, a proposal  
10 to authorize the governing body of the county to impose a tax.

11 2. The ballot of submission shall contain, but need not be limited to, the following  
12 language:

13 (1) If the proposal submitted involves only authorization to impose the tax authorized  
14 by this section the ballot shall contain substantially the following:

15 Shall the county of ..... (county's name) impose a countywide sales tax of .....  
16 (insert amount) for the purpose of providing law enforcement services for the county?

17 ☐ YES ☐ NO

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed  
19 to the question, place an "X" in the box opposite "NO"; or

20 (2) If the proposal submitted involves authorization to enter into agreements to form a  
21 regional jail district and obligates the county to make payments from the tax authorized by this  
22 section the ballot shall contain substantially the following:

23 Shall the county of ..... (county's name) be authorized to enter into agreements for  
24 the purpose of forming a regional jail district and obligating the county to impose a countywide  
25 sales tax of ..... (insert amount) to fund ..... dollars of the costs to construct a regional  
26 jail and to fund the costs to operate a regional jail, with any funds in excess of that necessary to  
27 construct and operate such jail to be used for law enforcement purposes?

28 ☐ YES ☐ NO

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

31

32 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
33 of the proposal submitted pursuant to subdivision (1) of this subsection, then the ordinance or  
34 order and any amendments thereto shall be in effect on the first day of the second **calendar**  
35 quarter [immediately following the election approving the proposal] **after the director of**  
36 **revenue receives notification of adoption of the local sales tax.** If the constitutionally required  
37 percentage of the voters voting thereon are in favor of the proposal submitted pursuant to  
38 subdivision (2) of this subsection, then the ordinance or order and any amendments thereto shall  
39 be in effect on the first day of the second **calendar** quarter [immediately following the election  
40 approving the proposal] **after the director of revenue receives notification of adoption of the**

41 **local sales tax.** If a proposal receives less than the required majority, then the governing body  
42 of the county shall have no power to impose the sales tax herein authorized unless and until the  
43 governing body of the county shall again have submitted another proposal to authorize the  
44 governing body of the county to impose the sales tax authorized by this section and such  
45 proposal is approved by the required majority of the qualified voters voting thereon. However,  
46 in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve  
47 months from the date of the last proposal pursuant to this section.

48 3. All revenue received by a county from the tax authorized under the provisions of this  
49 section shall be deposited in a special trust fund and shall be used solely for providing law  
50 enforcement services for such county for so long as the tax shall remain in effect. Revenue  
51 placed in the special trust fund may also be utilized for capital improvement projects for law  
52 enforcement facilities and for the payment of any interest and principal on bonds issued for said  
53 capital improvement projects.

54 4. Once the tax authorized by this section is abolished or is terminated by any means, all  
55 funds remaining in the special trust fund shall be used solely for providing law enforcement  
56 services for the county. Any funds in such special trust fund which are not needed for current  
57 expenditures may be invested by the governing body in accordance with applicable laws relating  
58 to the investment of other county funds.

59 5. All sales taxes collected by the director of revenue under this section on behalf of any  
60 county, less one percent for cost of collection which shall be deposited in the state's general  
61 revenue fund after payment of premiums for surety bonds as provided in section 32.087, RSMo,  
62 shall be deposited in a special trust fund, which is hereby created, to be known as the "County  
63 Law Enforcement Sales Tax Trust Fund". The moneys in the county law enforcement sales tax  
64 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of  
65 the state. The director of revenue shall keep accurate records of the amount of money in the trust  
66 and which was collected in each county imposing a sales tax under this section, and the records  
67 shall be open to the inspection of officers of the county and the public. Not later than the tenth  
68 day of each month the director of revenue shall distribute all moneys deposited in the trust fund  
69 during the preceding month to the county which levied the tax; such funds shall be deposited  
70 with the county treasurer of each such county, and all expenditures of funds arising from the  
71 county law enforcement sales tax trust fund shall be by an appropriation act to be enacted by the  
72 governing body of each such county. Expenditures may be made from the fund for any law  
73 enforcement functions authorized in the ordinance or order adopted by the governing body  
74 submitting the law enforcement tax to the voters.

75 6. The director of revenue may authorize the state treasurer to make refunds from the  
76 amounts in the trust fund and credited to any county for erroneous payments and overpayments  
77 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.  
78 If any county abolishes the tax, **the repeal of such tax shall become effective December thirty-**



79 **first of the calendar year in which such abolishment was approved.** The county shall notify  
80 the director of revenue of the action at least ninety days prior to the effective date of the repeal  
81 and the director of revenue may order retention in the trust fund, for a period of one year, of two  
82 percent of the amount collected after receipt of such notice to cover possible refunds or  
83 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of  
84 such accounts. After one year has elapsed after the effective date of abolition of the tax in such  
85 county, the director of revenue shall remit the balance in the account to the county and close the  
86 account of that county. The director of revenue shall notify each county of each instance of any  
87 amount refunded or any check redeemed from receipts due the county.

88 7. Except as modified in this section, all provisions of sections 32.085 and 32.087,  
89 RSMo, shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with more than  
2 one hundred ninety-eight thousand but less than one hundred ninety-eight thousand two hundred  
3 inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount of  
4 up to one-half percent on all retail sales made in such county which are subject to taxation  
5 pursuant to sections 144.010 to 144.525, RSMo, for the purpose of providing law enforcement  
6 services for such county. The tax authorized by this section shall be in addition to any and all  
7 other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant  
8 to this section shall be effective unless the governing body of the county submits to the voters  
9 of the county, at a county or state general, primary, or special election, a proposal to authorize  
10 the governing body of the county to impose a tax.

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

14 "Shall the county of ..... (county's name) impose a countywide sales tax of .....  
15 (insert amount) for the purpose of providing law enforcement services for the county?"

16 ☐ YES ☐ NO

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

19

20 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
21 of the proposal submitted pursuant to this subsection, then the ordinance or order and any  
22 amendments thereto shall be in effect on the first day of the second **calendar** quarter  
23 [immediately following the election approving the proposal] **after the director of revenue**  
24 **receives notification of adoption of the local sales tax.** If a proposal receives less than the  
25 required majority, then the governing body of the county shall have no power to impose the sales  
26 tax herein authorized unless and until the governing body of the county shall again have  
27 submitted another proposal to authorize the governing body of the county to impose the sales tax

28 authorized by this section and such proposal is approved by the required majority of the qualified  
29 voters voting thereon. However, in no event shall a proposal pursuant to this section be  
30 submitted to the voters sooner than twelve months from the date of the last proposal pursuant  
31 to this section.

32 3. Twenty-five percent of the revenue received by a county treasurer from the tax  
33 authorized pursuant to this section shall be deposited in a special trust fund and shall be used  
34 solely by a prosecuting attorney's office for such county for so long as the tax shall remain in  
35 effect. The remainder of revenue shall be deposited in the county law enforcement sales tax trust  
36 fund established pursuant to section 67.582 of the county levying the tax pursuant to this section.  
37 The revenue derived from the tax imposed pursuant to this section shall be used for public law  
38 enforcement services only. No revenue derived from the tax imposed pursuant to this section  
39 shall be used for any private contractor providing law enforcement services or for any private  
40 jail.

41 4. Once the tax authorized by this section is abolished or is terminated by any means, all  
42 funds remaining in the prosecuting attorney's trust fund shall be used solely by a prosecuting  
43 attorney's office for the county. Any funds in such special trust fund which are not needed for  
44 current expenditures may be invested by the governing body in accordance with applicable laws  
45 relating to the investment of other county funds.

46 5. All sales taxes collected by the director of revenue pursuant to this section on behalf  
47 of any county, less one percent for cost of collection which shall be deposited in the state's  
48 general revenue fund after payment of premiums for surety bonds as provided in section 32.087,  
49 RSMo, shall be deposited in a special trust fund, which is hereby created, to be known as the  
50 "County Prosecuting Attorney's Office Sales Tax Trust Fund" or in the county law enforcement  
51 sales tax trust fund, pursuant to the deposit ratio in subsection 3 of this section. The moneys in  
52 the trust funds shall not be deemed to be state funds and shall not be commingled with any funds  
53 of the state. The director of revenue shall keep accurate records of the amount of money in the  
54 trusts and which was collected in each county imposing a sales tax pursuant to this section, and  
55 the records shall be open to the inspection of officers of the county and the public. Not later than  
56 the tenth day of each month the director of revenue shall distribute all moneys deposited in the  
57 trust funds during the preceding month to the county which levied the tax; such funds shall be  
58 deposited with the county treasurer of each such county, and all expenditures of funds arising  
59 from either trust fund shall be by an appropriation act to be enacted by the governing body of  
60 each such county. Expenditures may be made from the funds for any functions authorized in the  
61 ordinance or order adopted by the governing body submitting the tax to the voters.

62 6. The director of revenue may authorize the state treasurer to make refunds from the  
63 amounts in the trust funds and credited to any county for erroneous payments and overpayments  
64 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.  
65 If any county abolishes the tax, **the repeal of such tax shall become effective December thirty-**

66 **first of the calendar year in which such abolishment was approved.** The county shall notify  
67 the director of revenue of the action at least ninety days before the effective date of the repeal and  
68 the director of revenue may order retention in the appropriate trust fund, for a period of one year,  
69 of two percent of the amount collected after receipt of such notice to cover possible refunds or  
70 overpayments of the tax and to redeem dishonored checks and drafts deposited to the credit of  
71 such accounts. After one year has elapsed after the effective date of abolition of the tax in such  
72 county, the director of revenue shall remit the balance in the account to the county and close the  
73 account of that county established pursuant to this section. The director of revenue shall notify  
74 each county of each instance of any amount refunded or any check redeemed from receipts due  
75 the county.

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

67.671. 1. The governing body of any county, except first class counties other than first  
2 class counties without charter form of government not adjoining any other first class county  
3 unless such first class county contains part of a city with a population over four hundred and fifty  
4 thousand, and except as otherwise provided in subsection 4 or subsection 7 of this section may,  
5 by a majority vote, impose a tourism sales tax throughout or in any portion of the county for the  
6 promotion of tourism as provided in this act, but such tax shall not become effective unless the  
7 governing body of the county submits to the voters of the county, at a public election, a proposal  
8 to authorize the county to impose a tax under the provisions of sections 67.671 to 67.685.

9 2. The ballot of submission shall be in substantially the following form:

10 Shall the county of ..... (Insert the name of the county) impose a tourism sales  
11 tax of ..... (Insert rate of percent) percent in certain areas of the county?

12 ☐ YES

☐ NO

13 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
14 of the proposal, then the tax shall be in effect **on the first day of the second calendar quarter**  
15 **after the director of revenue receives notification of adoption of the local sales tax.** If a  
16 majority of the votes cast by the qualified voters voting are opposed to the proposal, then the  
17 governing body of the county shall have no power to impose the tax authorized by sections  
18 67.671 to 67.685, unless and until the governing body of the county shall again have submitted  
19 another proposal to authorize the governing body of the county to impose the tax, and such  
20 proposal is approved by a majority of the qualified voters voting thereon.

21 3. Except as otherwise provided in subsection 4 or subsection 7 of this section, the  
22 tourism tax may be imposed at a rate of not more than seven-eighths of one percent on the  
23 receipts from the sale at retail of certain tangible personal property or taxable services within that  
24 part of the county for which such tax has been adopted, as specified in section 67.674.

25 4. The governing body of any third class county which adjoins the Mississippi River and  
26 which also adjoins one or more first class counties without a charter form of government and

27 which has a population of not more than sixteen thousand inhabitants according to the 1980  
28 decennial census may, by a majority vote, impose:

29 (1) A tourism [sales] tax on the [sale] **gross receipts** of all food and beverages sold for  
30 consumption on the premises of all restaurants, bars, taverns, or other establishments which are  
31 primarily used to provide food and beverage services;

32 (2) A tourism [sales] tax upon the rent or lease charges paid by transient guests of hotels,  
33 motels, condominiums, houseboats, and space rented in campgrounds;

34 (3) Or both.

35

36 The tax may be imposed throughout or in any portion of the county for the promotion of tourism  
37 as provided in sections 67.671 to 67.685 but such tax shall not become effective unless the  
38 governing body of the county submits to the voters of the county, at a public election, a proposal  
39 to authorize the county to impose the tax.

40 5. The ballot of submission shall be in substantially the following form:

41 Shall the county of ..... (Insert name of county) impose a tourism [sales] tax  
42 of ..... (Insert rate of percent) percent on the sale or rental of .....  
43 (Insert type of property or service) in certain areas of the county?

44 ☐ YES

☐ NO

45 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
46 of the proposal, then the tax shall be in effect. If a majority of the votes cast by the qualified  
47 voters voting are opposed to the proposal, then the governing body of the county shall have no  
48 power to impose the tax unless and until the governing body of the county shall again have  
49 submitted another proposal to authorize the governing body of the county to impose the tax, and  
50 such proposal is approved by a majority of the qualified voters voting thereon. The tourism tax  
51 may be imposed at a rate of not more than two percent on the receipts from the sale or rental at  
52 retail of certain tangible personal property or taxable services as provided in this subsection  
53 within that part of the county for which such tax has been adopted.

54 6. Within ten days after a vote in favor of the adoption of a tourism [sales] tax by the  
55 voters of any such county, the governing body of the county shall make its order imposing the  
56 tax. The tax shall become effective on the first day of the [first] **second** calendar quarter after  
57 [such order is made; provided that in any first class county with a population of at least eighty  
58 thousand but less than one hundred thousand, the tax shall become effective on the first day of  
59 the first month which begins more than thirty days after such order is made, and such tax shall  
60 be collected by the department of revenue in the same manner as prescribed in section 32.087,  
61 RSMo, except as otherwise provided in this section] **the director of revenue receives**  
62 **notification of adoption of such tax.**

63 7. In any county which has any part of a Corps of Engineers lake with a shoreline of at  
64 least eight hundred miles and not exceeding a shoreline of nine hundred miles, the tourism tax

65 may be imposed at a rate of not more than two percent on the receipts from the sale at retail of  
66 certain tangible personal property or taxable services, subject to tax pursuant to chapter 144,  
67 RSMo, within that portion of the county for which such tax has been adopted. All areas in such  
68 county imposing a tourism tax eligible to do so under the provisions of this section shall be  
69 contiguous with all other areas which adopt the tax.

70 8. All tourism [sales] tax collected pursuant to subsection [7] 4 of this section shall be  
71 collected and administered by the county collector as provided in section 67.680 and deposited  
72 in the "County Advertising and Tourism Sales Tax Trust Fund" created in such section.

73 **9. All tourism tax collected pursuant to subsection 7 of this section shall be collected**  
74 **and administered as provided in subsection 6 of this section and deposited by the county**  
75 **in the county advertising and tourism sales tax trust fund created in such section.**

67.678. 1. The following provisions shall govern the collection of the tax imposed by  
2 the provisions of sections 67.671 to 67.685:

3 (1) All applicable provisions contained in sections 144.010 to 144.510, RSMo,  
4 governing the state sales tax and section 32.057, RSMo, the uniform confidentiality provision,  
5 shall apply to the collection of the tax imposed by the provisions of sections 67.671 to 67.685,  
6 except as modified in sections 67.671 to 67.685;

7 (2) All exemptions granted to agencies of government, organizations, and persons under  
8 the provisions of sections 144.010 to 144.510, RSMo, are hereby made applicable to the  
9 imposition and collection of the tax imposed by sections 67.671 to 67.685.

10 2. The same sales tax permit, exemption certificate and retail certificate required by  
11 sections 144.010 to 144.510, RSMo, for the administration and collection of the state sales tax  
12 shall satisfy the requirements of sections 67.671 to 67.685, and no additional permit or  
13 exemption certificate or retail certificate shall be required; except that, the director of revenue  
14 may prescribe a form of exemption certificate for an exemption from the tax imposed by sections  
15 67.671 to 67.685.

16 3. All discounts allowed the retailer under the provisions of the state sales tax law for  
17 the collection of and for payment of taxes under that act are hereby allowed and made applicable  
18 to any taxes collected under the provisions of sections 67.671 to 67.685.

19 4. The penalties provided in sections 32.057 and 144.010 to 144.510, RSMo, for a  
20 violation of those acts are hereby made applicable to violations of the provisions of sections  
21 67.671 to 67.685.

22 [5. For the purposes of the tourism sales tax imposed by an order pursuant to sections  
23 67.671 to 67.685, all retail sales shall be deemed to be consummated at the place of business of  
24 the retailer.]

67.1303. 1. The governing body of any home rule city with more than one hundred  
2 fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred  
3 inhabitants, any home rule city with more than forty-five thousand five hundred but less than

4 forty-five thousand nine hundred inhabitants and the governing body of any city within any  
5 county of the first classification with more than one hundred four thousand six hundred but less  
6 than one hundred four thousand seven hundred inhabitants and the governing body of any county  
7 of the third classification without a township form of government and with more than forty  
8 thousand eight hundred but less than forty thousand nine hundred inhabitants or any city within  
9 such county may impose, by order or ordinance, a sales tax on all retail sales made in the city or  
10 county which are subject to sales tax under chapter 144, RSMo. In addition, the governing body  
11 of any county of the first classification with more than eighty-five thousand nine hundred but less  
12 than eighty-six thousand inhabitants or the governing body of any home rule city with more than  
13 seventy-three thousand but less than seventy-five thousand inhabitants may impose, by order or  
14 ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax  
15 under chapter 144, RSMo. The tax authorized in this section shall not be more than one-half of  
16 one percent. The order or ordinance imposing the tax shall not become effective unless the  
17 governing body of the city or county submits to the voters of the city or county at a state general  
18 or primary election a proposal to authorize the governing body to impose a tax under this section.  
19 The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and  
20 shall be stated separately from all other charges and taxes.

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

23 Shall ..... (insert the name of the city or county) impose a sales tax at a rate  
24 of ..... (insert rate of percent) percent for economic development purposes?

25 ☐ YES

☐ NO

26 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor  
27 of the question, then the tax shall become effective on the first day of the second calendar quarter  
28 [following the calendar quarter in which the election was held. If a majority of the votes cast on  
29 the question by the qualified voters voting thereon are opposed to the question, then the tax shall  
30 not become effective unless and until the question is resubmitted under this section to the  
31 qualified voters and such question is approved by a majority of the qualified voters voting on the  
32 question, provided that no proposal shall be resubmitted to the voters sooner than twelve months  
33 from the date of the submission of the last proposal] **after the director of revenue receives**  
34 **notification of adoption of the local sales tax. If a majority of the votes cast on the question**  
35 **by the qualified voters voting on the question are opposed, then the tax shall not become**  
36 **effective unless the question is resubmitted under this section to the qualified voters and**  
37 **such question is approved by a majority of the qualified voters voting on the question. No**  
38 **proposal shall be resubmitted to the voters sooner than twelve months from the date of the**  
39 **submission of the last proposal.**

40 3. No revenue generated by the tax authorized in this section shall be used for any retail  
41 development project. At least twenty percent of the revenue generated by the tax authorized in

42 this section shall be used solely for projects directly related to long-term economic development  
43 preparation, including, but not limited to, the following:

- 44 (1) Acquisition of land;
- 45 (2) Installation of infrastructure for industrial or business parks;
- 46 (3) Improvement of water and wastewater treatment capacity;
- 47 (4) Extension of streets;
- 48 (5) Providing matching dollars for state or federal grants;
- 49 (6) Marketing;
- 50 (7) Providing grants and low-interest loans to companies for job training, equipment  
51 acquisition, site development, and infrastructure. Not more than twenty-five percent of the  
52 revenue generated may be used annually for administrative purposes, including staff and facility  
53 costs.

54 4. All revenue generated by the tax shall be deposited in a special trust fund and shall  
55 be used solely for the designated purposes. If the tax is repealed, all funds remaining in the  
56 special trust fund shall continue to be used solely for the designated purposes. Any funds in the  
57 special trust fund which are not needed for current expenditures may be invested by the  
58 governing body in accordance with applicable laws relating to the investment of other city or  
59 county funds.

60 5. **The director of revenue may authorize the state treasurer to make refunds from**  
61 **the amounts in the trust fund and credited to any city or county for erroneous payments**  
62 **in the trust fund and credited to any city or county for erroneous payments and**  
63 **overpayments made, and may redeem dishonored checks and drafts deposited to the credit**  
64 **of such counties. If any city or county abolishes the tax authorized under this section, the**  
65 **repeal of such tax shall become effective December thirty-first of the calendar year in**  
66 **which such abolishment was approved. Each city or county shall notify the director of**  
67 **revenue at least ninety days prior to the effective date of the expiration of the sales tax**  
68 **authorized by this section and the director of revenue may order retention in the trust**  
69 **fund, for a period of one year, of two percent of the amount collected after receipt of such**  
70 **notice to cover possible refunds or overpayment of such tax and to redeem dishonored**  
71 **checks and drafts deposited to the credit of such accounts. After one year has elapsed after**  
72 **the date of expiration of the tax authorized by this section in such city or county, the**  
73 **director of revenue shall remit the balance in the account to the city or county and close**  
74 **the account of that city or county. The director of revenue shall notify each city or county**  
75 **of each instance of any amount refunded or any check redeemed from receipts due the city**  
76 **or county.**

77 6. Any city or county imposing the tax authorized in this section shall establish an  
78 economic development tax board. The board shall consist of eleven members, to be appointed  
79 as follows:

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

83 (2) One member shall be appointed, in any manner agreed upon by the affected districts,  
84 to represent all other districts levying ad valorem taxes within the area selected for an economic  
85 development project or area funded by the sales tax authorized in this section, excluding  
86 representatives of the governing body of the city or county;

87 (3) One member shall be appointed by the largest public school district in the city or  
88 county;

89 (4) In each city or county, five members shall be appointed by the chief elected officer  
90 of the city or county with the consent of the majority of the governing body of the city or county;

91 (5) In each city, two members shall be appointed by the governing body of the county  
92 in which the city is located. In each county, two members shall be appointed by the governing  
93 body of the county.

94  
95 At the option of the members appointed by a city or county the members who are appointed by  
96 the school boards and other taxing districts may serve on the board for a term to coincide with  
97 the length of time an economic development project, plan, or designation of an economic  
98 development area is considered for approval by the board, or for the definite terms as provided  
99 in this subsection. If the members representing school districts and other taxing districts are  
100 appointed for a term coinciding with the length of time an economic development project, plan,  
101 or area is approved, such term shall terminate upon final approval of the project, plan, or  
102 designation of the area by the governing body of the city or county. If any school district or other  
103 taxing jurisdiction fails to appoint members of the board within thirty days of receipt of written  
104 notice of a proposed economic development plan, economic development project, or designation  
105 of an economic development area, the remaining members may proceed to exercise the power  
106 of the board. Of the members first appointed by the city or county, three shall be designated to  
107 serve for terms of two years, three shall be designated to serve for a term of three years, and the  
108 remaining members shall be designated to serve for a term of four years from the date of such  
109 initial appointments. Thereafter, the members appointed by the city or county shall serve for a  
110 term of four years, except that all vacancies shall be filled for unexpired terms in the same  
111 manner as were the original appointments.

112 [6.] 7. The board, subject to approval of the governing body of the city or county, shall  
113 develop economic development plans, economic development projects, or designations of an  
114 economic development area, and shall hold public hearings and provide notice of any such  
115 hearings. The board shall vote on all proposed economic development plans, economic  
116 development projects, or designations of an economic development area, and amendments  
117 thereto, within thirty days following completion of the hearing on any such plan, project, or



118 designation, and shall make recommendations to the governing body within ninety days of the  
119 hearing concerning the adoption of or amendment to economic development plans, economic  
120 development projects, or designations of an economic development area.

121 [7.] 8. The board shall report at least annually to the governing body of the city or county  
122 on the use of the funds provided under this section and on the progress of any plan, project, or  
123 designation adopted under this section.

124 [8.] 9. The governing body of any city or county that has adopted the sales tax authorized  
125 in this section may submit the question of repeal of the tax to the voters on any date available for  
126 elections for the city or county. The ballot of submission shall be in substantially the following  
127 form:

128 Shall ..... (insert the name of the city or county) repeal the sales tax  
129 imposed at a rate of ..... (insert rate of percent) percent for economic development purposes?

130 ☐ YES ☐ NO

131 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become  
132 effective on December thirty-first of the calendar year in which such repeal was approved. If a  
133 majority of the votes cast on the question by the qualified voters voting thereon are opposed to  
134 the repeal, then the sales tax authorized in this section shall remain effective until the question  
135 is resubmitted under this section to the qualified voters of the city or county, and the repeal is  
136 approved by a majority of the qualified voters voting on the question.

137 [9.] 10. Whenever the governing body of any city or county that has adopted the sales  
138 tax authorized in this section receives a petition, signed by ten percent of the registered voters  
139 of the city or county voting in the last gubernatorial election, calling for an election to repeal the  
140 sales tax imposed under this section, the governing body shall submit to the voters a proposal  
141 to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting  
142 thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of  
143 the calendar year in which such repeal was approved. If a majority of the votes cast on the  
144 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall  
145 remain effective until the question is resubmitted under this section to the qualified voters and  
146 the repeal is approved by a majority of the qualified voters voting on the question. **If the city  
147 or county abolishes the tax, the city or county shall notify the director of revenue of the  
148 action at least one hundred twenty days prior to the effective date of the repeal.**

149 **11. After the effective date of any tax imposed under the provisions of this section,**  
150 **the director of revenue shall perform all functions incident to the administration,**  
151 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**  
152 **the state of Missouri, the additional tax authorized under this section. The tax imposed**  
153 **under this section and the tax imposed under the sales tax law of the state of Missouri shall**  
154 **be collected together and reported upon such forms and under such administrative rules**  
155 **and regulations as may be prescribed by the director of revenue.**

156           **12. Except as provided in this section, all provisions of sections 32.085 and 32.087**  
157 **shall apply to the tax imposed under this section.**

67.1545. 1. Any district formed as a political subdivision may impose by resolution a  
2 district sales and use tax on all retail sales made in such district which are subject to taxation  
3 pursuant to sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats  
4 or outboard motors [and sales to or by public utilities and providers of communications, cable,  
5 or video services]. Any sales and use tax imposed pursuant to this section may be imposed in  
6 increments of one-eighth of one percent, up to a maximum of one percent. Such district sales  
7 and use tax may be imposed for any district purpose designated by the district in its ballot of  
8 submission to its qualified voters; except that, no resolution adopted pursuant to this section shall  
9 become effective unless the board of directors of the district submits to the qualified voters of  
10 the district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this section.  
11 If a majority of the votes cast by the qualified voters on the proposed sales tax are in favor of the  
12 sales tax, then the resolution is adopted. If a majority of the votes cast by the qualified voters  
13 are opposed to the sales tax, then the resolution is void.

14           2. The ballot shall be substantially in the following form:

15           Shall the ..... (insert name of district) Community Improvement District  
16 impose a community improvement districtwide sales and use tax at the maximum rate of  
17 ..... (insert amount) for a period of ..... (insert number) years from the date on which  
18 such tax is first imposed for the purpose of providing revenue for .....  
19 (insert general description of the purpose)?

20                           ☐ YES

☐ NO

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

23           3. Within ten days after the qualified voters have approved the imposition of the sales  
24 and use tax, the district shall, in accordance with section 32.087, RSMo, notify the director of  
25 the department of revenue. The sales and use tax authorized by this section shall become  
26 effective on the first day of the second calendar quarter after the director of the department of  
27 revenue receives notice of the adoption of such tax.

28           4. [The director of the department of revenue shall collect any tax adopted pursuant to  
29 this section pursuant to section 32.087, RSMo.

30           **5.] After the effective date of any tax imposed under the provisions of this section,**  
31 **the director of revenue shall perform all functions incident to the administration,**  
32 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**  
33 **the state of Missouri, the additional tax authorized under the authority of this section. The**  
34 **tax imposed under this section and the tax imposed under the sales tax law of the state of**  
35 **Missouri shall be collected together and reported upon such forms and under such**  
36 **administrative rules and regulations as may be prescribed by the director of revenue.**

37           **5.** In each district in which a sales and use tax is imposed pursuant to this section, every  
38 retailer shall add such additional tax imposed by the district to such retailer's sale price, and when  
39 so added such tax shall constitute a part of the purchase price, shall be a debt of the purchaser  
40 to the retailer until paid and shall be recoverable at law in the same manner as the purchase price.

41           [6. In order to allow retailers to collect and report the sales and use tax authorized by this  
42 section as well as all other sales and use taxes required by law in the simplest and most efficient  
43 manner possible, a district may establish appropriate brackets to be used in the district imposing  
44 a tax pursuant to this section in lieu of the brackets provided in section 144.285, RSMo.

45           7.] **6.** The penalties provided in sections 144.010 to 144.525, RSMo, shall apply to  
46 violations of this section.

47           [8.] **7.** All revenue received by the district from a sales and use tax imposed pursuant to  
48 this section which is designated for a specific purpose shall be deposited into a special trust fund  
49 and expended solely for such purpose. Upon the expiration of any sales and use tax adopted  
50 pursuant to this section, all funds remaining in the special trust fund shall continue to be used  
51 solely for the specific purpose designated in the resolution adopted by the qualified voters. Any  
52 funds in such special trust fund which are not needed for current expenditures may be invested  
53 by the board of directors pursuant to applicable laws relating to the investment of other district  
54 funds.

55           [9.] **8.** A district may repeal by resolution any sales and use tax imposed pursuant to this  
56 section before the expiration date of such sales and use tax unless the repeal of such sales and  
57 use tax will impair the district's ability to repay any liabilities the district has incurred, moneys  
58 the district has borrowed or obligation the district has issued to finance any improvements or  
59 services rendered for the district.

60           [10.] **9.** Notwithstanding the provisions of chapter 115, RSMo, an election for a district  
61 sales and use tax under this section shall be conducted in accordance with the provisions of this  
62 section.

63           **10. Except as provided in this section, all provisions of sections 32.085 and 32.087**  
64 **shall apply to the tax imposed under this section.**

67.1959. 1. The board, by a majority vote, may submit to the residents of such district  
2 a tax of not more than one percent on all retail sales, except sales of [food as defined in section  
3 144.014, RSMo, sales of] new or used motor vehicles[, trailers, boats, or other outboard motors,  
4 all utilities, telephone and wireless services, and sales of funeral services], made **on or after**  
5 **January 1, 2012**, within the district which are subject to taxation pursuant to the provisions of  
6 sections 144.010 to 144.525, RSMo. Upon the written request of the board to the election  
7 authority of the county in which a majority of the area of the district is situated, such election  
8 authority shall submit a proposition to the residents of such district at a municipal or statewide  
9 primary or general election, or at a special election called for that purpose. Such election  
10 authority shall give legal notice as provided in chapter 115, RSMo.

11           2. Such proposition shall be submitted to the voters of the district in substantially the  
12 following form at such election:

13           Shall the Tourism Community Enhancement District impose a sales tax of .....  
14 (insert amount) for the purpose of promoting tourism in the district?

15                           ☐ YES   ☐ NO

16 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed  
17 to the question, place an "X" in the box opposite "NO". If a majority of the votes cast on the  
18 proposal by the qualified voters of the proposed district voting thereon are in favor of the  
19 proposal, then the order shall become effective on the first day of the second calendar quarter  
20 after the director of revenue receives notice of adoption of the tax. If the proposal receives less  
21 than the required majority, then the board shall have no power to impose the sales tax authorized  
22 pursuant to this section unless and until the board shall again have submitted another proposal  
23 to authorize the board to impose the sales tax authorized by this section and such proposal is  
24 approved by the required majority of the qualified voters of the district.

          67.2000. 1. This section shall be known as the "Exhibition Center and Recreational  
2 Facility District Act".

3           2. Whenever not less than fifty owners of real property located within any county of the  
4 first classification with more than seventy-one thousand three hundred but less than seventy-one  
5 thousand four hundred inhabitants, or any county of the first classification with more than one  
6 hundred ninety-eight thousand but less than one hundred ninety-nine thousand two hundred  
7 inhabitants, or any county of the first classification with more than eighty-five thousand nine  
8 hundred but less than eighty-six thousand inhabitants, or any county of the second classification  
9 with more than fifty-two thousand six hundred but less than fifty-two thousand seven hundred  
10 inhabitants, or any county of the first classification with more than one hundred four thousand  
11 six hundred but less than one hundred four thousand seven hundred inhabitants, or any county  
12 of the third classification without a township form of government and with more than seventeen  
13 thousand nine hundred but less than eighteen thousand inhabitants, or any county of the first  
14 classification with more than thirty-seven thousand but less than thirty-seven thousand one  
15 hundred inhabitants, or any county of the third classification without a township form of  
16 government and with more than twenty-three thousand five hundred but less than twenty-three  
17 thousand six hundred inhabitants, or any county of the third classification without a township  
18 form of government and with more than nineteen thousand three hundred but less than nineteen  
19 thousand four hundred inhabitants, or any county of the first classification with more than two  
20 hundred forty thousand three hundred but less than two hundred forty thousand four hundred  
21 inhabitants, desire to create an exhibition center and recreational facility district, the property  
22 owners shall file a petition with the governing body of each county located within the boundaries  
23 of the proposed district requesting the creation of the district. The district boundaries may

24 include all or part of the counties described in this section. The petition shall contain the  
25 following information:

26 (1) The name and residence of each petitioner and the location of the real property  
27 owned by the petitioner;

28 (2) A specific description of the proposed district boundaries, including a map  
29 illustrating the boundaries; and

30 (3) The name of the proposed district.

31 3. Upon the filing of a petition pursuant to this section, the governing body of any county  
32 described in this section may, by resolution, approve the creation of a district. Any resolution  
33 to establish such a district shall be adopted by the governing body of each county located within  
34 the proposed district, and shall contain the following information:

35 (1) A description of the boundaries of the proposed district;

36 (2) The time and place of a hearing to be held to consider establishment of the proposed  
37 district;

38 (3) The proposed sales tax rate to be voted on within the proposed district; and

39 (4) The proposed uses for the revenue generated by the new sales tax.

40 4. Whenever a hearing is held as provided by this section, the governing body of each  
41 county located within the proposed district shall:

42 (1) Publish notice of the hearing on two separate occasions in at least one newspaper of  
43 general circulation in each county located within the proposed district, with the first publication  
44 to occur not more than thirty days before the hearing, and the second publication to occur not  
45 more than fifteen days or less than ten days before the hearing;

46 (2) Hear all protests and receive evidence for or against the establishment of the  
47 proposed district; and

48 (3) Rule upon all protests, which determinations shall be final.

49 5. Following the hearing, if the governing body of each county located within the  
50 proposed district decides to establish the proposed district, it shall adopt an order to that effect;  
51 if the governing body of any county located within the proposed district decides to not establish  
52 the proposed district, the boundaries of the proposed district shall not include that county. The  
53 order shall contain the following:

54 (1) The description of the boundaries of the district;

55 (2) A statement that an exhibition center and recreational facility district has been  
56 established;

57 (3) The name of the district;

58 (4) The uses for any revenue generated by a sales tax imposed pursuant to this section;  
59 and

60 (5) A declaration that the district is a political subdivision of the state.

61           6. A district established pursuant to this section may, at a general, primary, or special  
62 election, submit to the qualified voters within the district boundaries a sales tax of one-fourth of  
63 one percent, for a period not to exceed twenty-five years, on all retail sales within the district,  
64 which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the  
65 acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition  
66 center and recreational facilities. The ballot of submission shall be in substantially the following  
67 form:

68           Shall the ..... (name of district) impose a sales tax of one-fourth of one percent to fund  
69 the acquisition, construction, maintenance, operation, improvement, and promotion of an  
70 exhibition center and recreational facilities, for a period of ..... (insert number of years)?

71                           ☐ YES   ☐ NO

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

74

75 If a majority of the votes cast in the portion of any county that is part of the proposed district  
76 favor the proposal, then the sales tax shall become effective in that portion of the county that is  
77 part of the proposed district on the first day of the [first] **second** calendar quarter [immediately  
78 following the election] **after the director of revenue receives notification of adoption of the**  
79 **local sales tax**. If a majority of the votes cast in the portion of a county that is a part of the  
80 proposed district oppose the proposal, then that portion of such county shall not impose the sales  
81 tax authorized in this section until after the county governing body has submitted another such  
82 sales tax proposal and the proposal is approved by a majority of the qualified voters voting  
83 thereon.

84 However, if a sales tax proposal is not approved, the governing body of the county shall not  
85 resubmit a proposal to the voters pursuant to this section sooner than twelve months from the  
86 date of the last proposal submitted pursuant to this section. If the qualified voters in two or more  
87 counties that have contiguous districts approve the sales tax proposal, the districts shall combine  
88 to become one district.

89           7. There is hereby created a board of trustees to administer any district created and the  
90 expenditure of revenue generated pursuant to this section consisting of four individuals to  
91 represent each county approving the district, as provided in this subsection. The governing body  
92 of each county located within the district, upon approval of that county's sales tax proposal, shall  
93 appoint four members to the board of trustees; at least one shall be an owner of a nonlodging  
94 business located within the taxing district, or their designee, at least one shall be an owner of a  
95 lodging facility located within the district, or their designee, and all members shall reside in the  
96 district except that one nonlodging business owner, or their designee, and one lodging facility  
97 owner, or their designee, may reside outside the district. Each trustee shall be at least twenty-five  
98 years of age and a resident of this state. Of the initial trustees appointed from each county, two

99 shall hold office for two years, and two shall hold office for four years. Trustees appointed after  
100 expiration of the initial terms shall be appointed to a four-year term by the governing body of the  
101 county the trustee represents, with the initially appointed trustee to remain in office until a  
102 successor is appointed, and shall take office upon being appointed. Each trustee may be  
103 reappointed. Vacancies shall be filled in the same manner in which the trustee vacating the  
104 office was originally appointed. The trustees shall not receive compensation for their services,  
105 but may be reimbursed for their actual and necessary expenses. The board shall elect a chair and  
106 other officers necessary for its membership. Trustees may be removed if:

107 (1) By a two-thirds vote, the board moves for the member's removal and submits such  
108 motion to the governing body of the county from which the trustee was appointed; and

109 (2) The governing body of the county from which the trustee was appointed, by a  
110 majority vote, adopts the motion for removal.

111 8. The board of trustees shall have the following powers, authority, and privileges:

112 (1) To have and use a corporate seal;

113 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

114 (3) To enter into contracts, franchises, and agreements with any person or entity, public  
115 or private, affecting the affairs of the district, including contracts with any municipality, district,  
116 or state, or the United States, and any of their agencies, political subdivisions, or  
117 instrumentalities, for the funding, including without limitation interest rate exchange or swap  
118 agreements, planning, development, construction, acquisition, maintenance, or operation of a  
119 single exhibition center and recreational facilities or to assist in such activity. "Recreational  
120 facilities" means locations explicitly designated for public use where the primary use of the  
121 facility involves participation in hobbies or athletic activities;

122 (4) To borrow money and incur indebtedness and evidence the same by certificates,  
123 notes, or debentures, to issue bonds and use any one or more lawful funding methods the district  
124 may obtain for its purposes at such rates of interest as the district may determine. Any bonds,  
125 notes, and other obligations issued or delivered by the district may be secured by mortgage,  
126 pledge, or deed of trust of any or all of the property and income of the district. Every issue of  
127 such bonds, notes, or other obligations shall be payable out of property and revenues of the  
128 district and may be further secured by other property of the district, which may be pledged,  
129 assigned, mortgaged, or a security interest granted for such payment, without preference or  
130 priority of the first bonds issued, subject to any agreement with the holders of any other bonds  
131 pledging any specified property or revenues. Such bonds, notes, or other obligations shall be  
132 authorized by resolution of the district board, and shall bear such date or dates, and shall mature  
133 at such time or times, but not in excess of thirty years, as the resolution shall specify. Such  
134 bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or  
135 rates, be in such form, either coupon or registered, be issued as current interest bonds, compound  
136 interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such

137 manner, be payable in such place or places, and be subject to redemption as such resolution may  
138 provide, notwithstanding section 108.170, RSMo. The bonds, notes, or other obligations may  
139 be sold at either public or private sale, at such interest rates, and at such price or prices as the  
140 district shall determine;

141 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber real and  
142 personal property in furtherance of district purposes;

143 (6) To refund any bonds, notes, or other obligations of the district without an election.  
144 The terms and conditions of refunding obligations shall be substantially the same as those of the  
145 original issue, and the board shall provide for the payment of interest at not to exceed the legal  
146 rate, and the principal of such refunding obligations in the same manner as is provided for the  
147 payment of interest and principal of obligations refunded;

148 (7) To have the management, control, and supervision of all the business and affairs of  
149 the district, and the construction, installation, operation, and maintenance of district  
150 improvements therein; to collect rentals, fees, and other charges in connection with its services  
151 or for the use of any of its facilities;

152 (8) To hire and retain agents, employees, engineers, and attorneys;

153 (9) To receive and accept by bequest, gift, or donation any kind of property;

154 (10) To adopt and amend bylaws and any other rules and regulations not in conflict with  
155 the constitution and laws of this state, necessary for the carrying on of the business, objects, and  
156 affairs of the board and of the district; and

157 (11) To have and exercise all rights and powers necessary or incidental to or implied  
158 from the specific powers granted by this section.

159 9. There is hereby created the "Exhibition Center and Recreational Facility District Sales  
160 Tax Trust Fund", which shall consist of all sales tax revenue collected pursuant to this section.  
161 The director of revenue shall be custodian of the trust fund, and moneys in the trust fund shall  
162 be used solely for the purposes authorized in this section. Moneys in the trust fund shall be  
163 considered nonstate funds pursuant to section 15, article IV, Constitution of Missouri. The  
164 director of revenue shall invest moneys in the trust fund in the same manner as other funds are  
165 invested. Any interest and moneys earned on such investments shall be credited to the trust fund.  
166 All sales taxes collected by the director of revenue pursuant to this section on behalf of the  
167 district, less one percent for the cost of collection which shall be deposited in the state's general  
168 revenue fund after payment of premiums for surety bonds as provided in section 32.087, RSMo,  
169 shall be deposited in the trust fund. The director of revenue shall keep accurate records of the  
170 amount of moneys in the trust fund which was collected in the district imposing a sales tax  
171 pursuant to this section, and the records shall be open to the inspection of the officers of each  
172 district and the general public. Not later than the tenth day of each month, the director of  
173 revenue shall distribute all moneys deposited in the trust fund during the preceding month to the  
174 district. The director of revenue may authorize refunds from the amounts in the trust fund and



credited to the district for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of the district.

10. The sales tax authorized by this section is in addition to all other sales taxes allowed by law. **After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.**

11. Except as modified in this section, all provisions of sections 32.085 and 32.087, RSMo, apply to the sales tax imposed pursuant to this section.

[11.] 12. Any sales tax imposed pursuant to this section shall not extend past the initial term approved by the voters unless an extension of the sales tax is submitted to and approved by the qualified voters in each county in the manner provided in this section. Each extension of the sales tax shall be for a period not to exceed twenty years. The ballot of submission for the extension shall be in substantially the following form:

Shall the ..... (name of district) extend the sales tax of one-fourth of one percent for a period of ..... (insert number of years) years to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities?

☐ YES

☐ NO

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

If a majority of the votes cast favor the extension, then the sales tax shall remain in effect at the rate and for the time period approved by the voters. If a sales tax extension is not approved, the district may submit another sales tax proposal as authorized in this section, but the district shall not submit such a proposal to the voters sooner than twelve months from the date of the last extension submitted.

[12.] 13. Once the sales tax authorized by this section is abolished or terminated by any means, all funds remaining in the trust fund shall be used solely for the purposes approved in the ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while the district has any financing or other obligations outstanding; provided that any new financing, debt, or other obligation or any restructuring or refinancing of an existing debt or obligation incurred more than ten years after voter approval of the sales tax provided in this section or more than ten years after any voter-approved extension thereof shall not cause the extension of the sales tax provided in this section or cause the final maturity of any financing or other obligations outstanding to be extended. Any funds in the trust fund which are not needed for current

213 expenditures may be invested by the district in the securities described in subdivisions (1) to (12)  
214 of subsection 1 of section 30.270, RSMo, or repurchase agreements secured by such securities.  
215 If the district abolishes the sales tax, the district shall notify the director of revenue of the action  
216 at least ninety days before the effective date of the repeal, and the director of revenue may order  
217 retention in the trust fund, for a period of one year, of two percent of the amount collected after  
218 receipt of such notice to cover possible refunds or overpayment of the sales tax and to redeem  
219 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed  
220 after the effective date of abolition of the sales tax in the district, the director of revenue shall  
221 remit the balance in the account to the district and close the account of the district. The director  
222 of revenue shall notify the district of each instance of any amount refunded or any check  
223 redeemed from receipts due the district.

224 [13.] 14. In the event that the district is dissolved or terminated by any means, the  
225 governing bodies of the counties in the district shall appoint a person to act as trustee for the  
226 district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall  
227 take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond  
228 with sufficient security, approved by the governing bodies of the counties, to the use of the  
229 dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and  
230 exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining  
231 obligations of the district, shall pay over to the county treasurer of each county in the district and  
232 take receipt for all remaining moneys in amounts based on the ratio the levy of each county bears  
233 to the total levy for the district in the previous three years or since the establishment of the  
234 district, whichever time period is shorter. Upon payment to the county treasurers, the trustee  
235 shall deliver to the clerk of the governing body of any county in the district all books, papers,  
236 records, and deeds belonging to the dissolved district.

67.2030. 1. The governing authority of any city of the fourth classification with more  
2 than one thousand six hundred but less than one thousand seven hundred inhabitants and located  
3 in any county of the first classification with more than seventy-three thousand seven hundred but  
4 less than seventy-three thousand eight hundred inhabitants is hereby authorized to impose, by  
5 ordinance or order, a sales tax in the amount not to exceed one-half of one percent on all retail  
6 sales made in such city which are subject to taxation pursuant to sections 144.010 to 144.525,  
7 RSMo, for the promotion of tourism in such city. The tax authorized by this section shall be in  
8 addition to any and all other sales taxes allowed by law, except that no ordinance or order  
9 imposing a sales tax pursuant to this section shall be effective unless the governing authority of  
10 the city submits to the qualified voters of the city, at any municipal or state general, primary, or  
11 special election, a proposal to authorize the governing authority of the city to impose a tax.

12 2. The ballot of submission shall be in substantially the following form:

13 "Shall the city of ..... (city's name) impose a citywide sales tax of ..... (insert amount) for  
14 the purpose of promoting tourism in the city?"

15

☐ YES☐ NO

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

18

19 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
20 of the proposal, then the ordinance or order and any amendments thereto shall be in effect on the  
21 first day of the [first] **second** calendar quarter immediately [following notification to] **after** the  
22 director of the department of revenue [of the election approving the proposal] **receives**  
23 **notification of adoption of the local sales tax**. If a proposal receives less than the required  
24 majority, then the governing authority of the city shall have no power to impose the sales tax  
25 unless and until the governing authority of the city has submitted another proposal to authorize  
26 the imposition of the sales tax authorized by this section and such proposal is approved by the  
27 required majority of the qualified voters voting thereon. However, in no event shall a proposal  
28 pursuant to this section be submitted to the voters sooner than twelve months from the date of  
29 the last proposal pursuant to this section.

30 3. [On and after the effective date of any tax authorized in this section, the city may  
31 adopt one of the two following provisions for the collection and administration of the tax:

32 (1) The city may adopt rules and regulations for the internal collection of such tax by the  
33 city officers usually responsible for collection and administration of city taxes; or

34 (2) The city may enter into an agreement with the director of revenue of the state of  
35 Missouri for the purpose of collecting the tax authorized in this section. In the event any city  
36 enters into an agreement with the director of revenue of the state of Missouri for the collection  
37 of the tax authorized in this section, the director of revenue shall perform all functions incident  
38 to the administration, collection, enforcement, and operation of such tax, and the director of  
39 revenue shall collect the additional tax authorized in this section. The tax authorized in this  
40 section shall be collected and reported upon such forms and under such administrative rules and  
41 regulations as may be prescribed by the director of revenue, and the director of revenue shall  
42 retain an amount not to exceed one percent for cost of collection.

43 4. If a tax is imposed by a city pursuant to this section, the city may collect a penalty of  
44 one percent and interest not to exceed two percent per month on unpaid taxes which shall be  
45 considered delinquent thirty days after the last day of each quarter.] **After the effective date of**  
46 **any tax imposed under the provisions of this section, the director of revenue shall perform**  
47 **all functions incident to the administration, collection, enforcement, and operation of the**  
48 **tax and collect, in addition to the sales tax for the state of Missouri, the additional tax**  
49 **authorized under the authority of this section. The tax imposed under this section and the**  
50 **tax imposed under the sales tax law of the state of Missouri shall be collected together and**  
51 **reported upon such forms and under such administrative rules and regulations as may be**  
52 **prescribed by the director of revenue.**

53 [5.] 4. (1) The governing authority of any city that has adopted any sales tax pursuant  
54 to this section shall, upon filing of a petition calling for the repeal of such sales tax signed by at  
55 least ten percent of the qualified voters in the city, submit the question of repeal of the sales tax  
56 to the qualified voters at any primary or general election. The ballot of submission shall be in  
57 substantially the following form:

58 Shall ..... (insert name of city) repeal the sales tax of ..... (insert rate of percent) percent  
59 for tourism purposes now in effect in ..... (insert name of city)?

60 ☐ YES ☐ NO

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

63  
64 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become  
65 effective on December thirty-first of the calendar year in which such repeal was approved. **If the**  
66 **city or county abolishes the tax, the city or county shall notify the director of revenue of the**  
67 **action at least one hundred twenty days prior to the effective date of the repeal.**

68 (2) Once the tax is repealed as provided in this section, all funds remaining in any trust  
69 fund or account established to receive revenues generated by the tax shall be used solely for the  
70 original stated purpose of the tax. Any funds which are not needed for current expenditures may  
71 be invested by the governing authority in accordance with applicable laws relating to the  
72 investment of other city funds.

73 (3) The governing authority of a city repealing a tax pursuant to this section shall notify  
74 the director of revenue of the action at least forty-five days before the effective date of the repeal  
75 and the director of revenue may order retention in any trust fund created in the state treasury  
76 associated with the tax, for a period of one year, of two percent of the amount collected after  
77 receipt of such notice to cover refunds or overpayment of the tax and to redeem dishonored  
78 checks and drafts deposited to the credit of such accounts. After one year has elapsed after the  
79 effective date of repeal of the tax in the city, the director of revenue shall remit the balance in the  
80 trust fund to the city and close the account of that city. The director of revenue shall notify each  
81 city of each instance of any amount refunded or any check redeemed from receipts due the city.

82 (4) In the event that the repeal of a sales tax pursuant to this section dissolves or  
83 terminates a taxing district, the governing authority of the city shall appoint a person to act as  
84 trustee for the district so dissolved or terminated. Before beginning the discharge of duties, the  
85 trustee shall take and subscribe an oath to faithfully discharge the duties of the office, and shall  
86 give bond with sufficient security, approved by the governing authority of the city, to the use of  
87 the dissolved or terminated district, for the faithful discharge of duties. The trustee shall have  
88 and exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining  
89 obligations of the district, shall pay over to the city treasurer or the equivalent official and take  
90 receipt for all remaining moneys. Upon payment to the city treasurer, the trustee shall deliver

91 to the clerk of the governing authority of the city all books, papers, records, and deeds belonging  
92 to the dissolved district.

93 [6.] 5. Except as modified in this section, all provisions of sections 32.085 and 32.087,  
94 RSMo, shall apply to the tax imposed pursuant to this section.

67.2525. 1. Each member of the board of directors shall have the following  
2 qualifications:

3 (1) As to those subdistricts in which there are registered voters, a resident registered  
4 voter in the subdistrict that he or she represents, or be a property owner or, as to those  
5 subdistricts in which there are not registered voters who are residents, a property owner or  
6 representative of a property owner in the subdistrict he or she represents;

7 (2) Be at least twenty-one years of age and a registered voter in the district.

8 2. The district shall be subdivided into at least five but not more than fifteen subdistricts,  
9 which shall be represented by one representative on the district board of directors. All board  
10 members shall have terms of four years, including the initial board of directors. All members  
11 shall take office upon being appointed and shall remain in office until a successor is appointed  
12 by the mayor or chairman of the municipality in which the district is located, or elected by the  
13 property owners in those subdistricts without registered voters.

14 3. For those subdistricts which contain one or more registered voters, the mayor or  
15 chairman of the city, town, or village shall, with the consent of the governing body, appoint a  
16 registered voter residing in the subdistrict to the board of directors.

17 4. For those subdistricts which contain no registered voters, the property owners who  
18 collectively own one or more parcels of real estate comprising more than half of the land situated  
19 in each subdistrict shall meet and shall elect a representative to serve upon the board of directors.  
20 The clerk of the city, town, or village in which the petition was filed shall, unless waived in  
21 writing by all property owners in the subdistrict, give notice by causing publication to be made  
22 once a week for two consecutive weeks in a newspaper of general circulation in the county, the  
23 last publication of which shall be at least ten days before the day of the meeting required by this  
24 section, to call a meeting of the owners of real property within the subdistrict at a day and hour  
25 specified in a public place in the city, town, or village in which the petition was filed for the  
26 purpose of electing members of the board of directors.

27 5. The property owners, when assembled, shall organize by the election of a temporary  
28 chairman and secretary of the meeting who shall conduct the election. An election shall be  
29 conducted for each subdistrict, with the eligible property owners voting in that subdistrict. At  
30 the election, each acre of real property within the subdistrict shall represent one share, and each  
31 owner, including corporations and other entities, may have one vote in person or for every acre  
32 of real property owned by such person within the subdistrict. Each voter which is not an  
33 individual shall determine how to cast its vote as provided for in its articles of incorporation,  
34 articles of organization, articles of partnership, bylaws, or other document which sets forth an

35 appropriate mechanism for the determination of the entity's vote. If a voter has no such  
36 mechanism, then its vote shall be cast as determined by a majority of the persons who run the  
37 day-to-day affairs of the voter. The results of the meeting shall be certified by the temporary  
38 chairman and secretary to the municipal clerk if the district is established by a municipality  
39 described in this section, or to the circuit clerk if the district is established by a circuit court.

40 6. Successor boards shall be appointed or elected, depending upon the presence or  
41 absence of resident registered voters, by the mayor or chairman of a city, town, or village  
42 described in this section, or the property owners as set forth above; provided, however, that  
43 elections held by the property owners after the initial board is elected shall be certified to the  
44 municipal clerk of the city, town, or village where the district is located and the board of  
45 directors of the district.

46 7. Should a vacancy occur on the board of directors, the mayor or chairman of the city,  
47 town, or village if there are registered voters within the subdistrict, or a majority of the owners  
48 of real property in a subdistrict if there are not registered voters in the subdistrict, shall have the  
49 authority to appoint or elect, as set forth in this section, an interim director to complete any  
50 unexpired term of a director caused by resignation or disqualification.

51 8. The board shall possess and exercise all of the district's legislative and executive  
52 powers, including:

53 (1) The power to fund, promote and provide educational, civic, musical, theatrical,  
54 cultural, concerts, lecture series, and related or similar entertainment events or activities, and  
55 fund, promote, plan, design, construct, improve, maintain, and operate public improvements,  
56 transportation projects, and related facilities within the district;

57 (2) The power to accept and disburse tax or other revenue collected in the district; and

58 (3) The power to receive property by gift or otherwise.

59 9. Within thirty days after the selection of the initial directors, the board shall meet. At  
60 its first meeting and annually thereafter the board shall elect a chairman from its members.

61 10. The board shall appoint an executive director, district secretary, treasurer, and such  
62 other officers or employees as it deems necessary.

63 11. At the first meeting, the board, by resolution, shall define the first and subsequent  
64 fiscal years of the district, and shall adopt a corporate seal.

65 12. A simple majority of the board shall constitute a quorum. If a quorum exists, a  
66 majority of those voting shall have the authority to act in the name of the board, and approve any  
67 board resolution.

68 13. At the first meeting, the board, by resolution, shall receive the certification of the  
69 election regarding the sales tax, and may impose the sales tax in all subdistricts approving the  
70 imposing sales tax. In those subdistricts that approve the sales tax, the sales tax shall become  
71 effective on the first day of the [first] **second** calendar quarter [immediately following the action

72 by the district board of directors imposing the tax] **after the director of revenue receives**  
73 **notification of adoption of the local sales tax.**

74 14. Each director shall devote such time to the duties of the office as the faithful  
75 discharge thereof may require and be reimbursed for his or her actual expenditures in the  
76 performance of his or her duties on behalf of the district. Directors may be compensated, but  
77 such compensation shall not exceed one hundred dollars per month.

78 15. In addition to all other powers granted by sections 67.2500 to 67.2530, the district  
79 shall have the following general powers:

80 (1) To sue and be sued in its own name, and to receive service of process, which shall  
81 be served upon the district secretary;

82 (2) To fix compensation of its employees and contractors;

83 (3) To enter into contracts, franchises, and agreements with any person or entity, public  
84 or private, affecting the affairs of the district, including contracts with any municipality, district,  
85 or state, or the United States, and any of their agencies, political subdivisions, or  
86 instrumentalities, for the funding, including without limitation, interest rate exchange or swap  
87 agreements, planning, development, construction, acquisition, maintenance, or operation of a  
88 district facility or to assist in such activity;

89 (4) To acquire, develop, construct, equip, transfer, donate, lease, exchange, mortgage,  
90 and encumber real and personal property in furtherance of district purposes;

91 (5) To collect and disburse funds for its activities;

92 (6) To collect taxes and other revenues;

93 (7) To borrow money and incur indebtedness and evidence the same by certificates,  
94 notes, bonds, debentures, or refunding of any such obligations for the purpose of paying all or  
95 any part of the cost of land, construction, development, or equipping of any facilities or  
96 operations of the district;

97 (8) To own or lease real or personal property for use in connection with the exercise of  
98 powers pursuant to this subsection;

99 (9) To provide for the election or appointment of officers, including a chairman,  
100 treasurer, and secretary. Officers shall not be required to be residents of the district, and one  
101 officer may hold more than one office;

102 (10) To hire and retain agents, employees, engineers, and attorneys;

103 (11) To enter into entertainment contracts binding the district and artists, agencies, or  
104 performers, management contracts, contracts relating to the booking of entertainment and the  
105 sale of tickets, and all other contracts which relate to the purposes of the district;

106 (12) To contract with a local government, a corporation, partnership, or individual  
107 regarding funding, promotion, planning, designing, constructing, improving, maintaining, or  
108 operating a project or to assist in such activity;

109 (13) To contract for transfer to a city, town, or village such district facilities and  
110 improvements free of cost or encumbrance on such terms set forth by contract;

111 (14) To exercise such other powers necessary or convenient for the district to accomplish  
112 its purposes which are not inconsistent with its express powers.

113 16. A district may at any time authorize or issue notes, bonds, or other obligations for  
114 any of its powers or purposes. Such notes, bonds, or other obligations:

115 (1) Shall be in such amounts as deemed necessary by the district, including costs of  
116 issuance thereof;

117 (2) Shall be payable out of all or any portion of the revenues or other assets of the  
118 district;

119 (3) May be secured by any property of the district which may be pledged, assigned,  
120 mortgaged, or otherwise encumbered for payment;

121 (4) Shall be authorized by resolution of the district, and if issued by the district, shall  
122 bear such date or dates, and shall mature at such time or times, but not in excess of forty years,  
123 as the resolution shall specify;

124 (5) Shall be in such denomination, bear interest at such rates, be in such form, be issued  
125 as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or  
126 zero coupon bonds, be issued in such manner, be payable in such place or places and subject to  
127 redemption as such resolution may provide; and

128 (6) May be sold at either public or private sale, at such interest rates, and at such price  
129 or prices as the district shall determine.

130

131 The provisions of this subsection are applicable to the district notwithstanding the provisions of  
132 section 108.170, RSMo.

67.2530. 1. Any note, bond, or other indebtedness of the district may be refunded at any  
2 time by the district by issuing refunding bonds in such amount as the district may deem  
3 necessary. Such bonds shall be subject to and shall have the benefit of the foregoing provisions  
4 regarding notes, bonds, and other obligations. Without limiting the generality of the foregoing,  
5 refunding bonds may include amounts necessary to finance any premium, unpaid interest, and  
6 costs of issuance in connection with the refunding bonds. Any such refunding may be effected  
7 whether the bonds to be refunded then shall have matured or thereafter shall mature, either by  
8 sale of the refunding bonds and the application of the proceeds thereof to the payment of the  
9 obligations being refunded or the exchange of the refunding bonds for the obligations being  
10 refunded with the consent of the holders of the obligations being refunded.

11 2. Notes, bonds, or other indebtedness of the district shall be exclusively the  
12 responsibility of the district payable solely out of the district funds and property and shall not  
13 constitute a debt or liability of the state of Missouri or any agency or political subdivision of the  
14 state. Any notes, bonds, or other indebtedness of the district shall state on their face that they



15 are not obligations of the state of Missouri or any agency or political subdivision thereof other  
16 than the district.

17         3. Any district may by resolution impose a district sales tax of up to one-half of one  
18 percent on all retail sales made in such district that are subject to taxation pursuant to the  
19 provisions of sections 144.010 to 144.525, RSMo. Upon voter approval, and receiving the  
20 necessary certifications from the governing body of the municipality in which the district is  
21 located, or from the circuit court if the district was formed by the circuit court, the board of  
22 directors shall have the power to impose a sales tax at its first meeting, or any meeting thereafter.  
23 Voter approval of the question of the imposing sales tax shall be in accordance with section  
24 67.2520. [The sales tax shall become effective in those subdistricts that approve the sales tax  
25 on the first day of the first calendar quarter immediately following the passage of a resolution  
26 by the board of directors imposing the sales tax.

27         4. In each district in which a sales tax has been imposed in the manner provided by this  
28 section, every retailer shall add the tax imposed by the district pursuant to this section to the  
29 retailer's sale price, and when so added, such tax shall constitute a part of the price, shall be a  
30 debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner  
31 as the purchase price.

32         5. In order to permit sellers required to collect and report the sales tax authorized by this  
33 section to collect the amount required to be reported and remitted, but not to change the  
34 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid  
35 fractions of pennies, the district may establish appropriate brackets which shall be used in the  
36 district imposing a tax pursuant to this section in lieu of those brackets provided in section  
37 144.285, RSMo.

38         6.] 4. All revenue received by a district from the sales tax authorized by this section shall  
39 be deposited in a special trust fund and shall be used solely for the purposes of the district. Any  
40 funds in such special trust fund which are not needed for the district's current expenditures may  
41 be invested by the district board of directors in accordance with applicable laws relating to the  
42 investment of other district funds.

43         [7.] 5. The sales tax may be imposed at a rate of up to one-half of one percent on the  
44 receipts from the sale at retail of all tangible personal property or taxable services at retail within  
45 the district adopting such tax, if such property and services are subject to taxation by the state  
46 of Missouri pursuant to the provisions of sections 144.010 to 144.525, RSMo. Any district sales  
47 tax imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout  
48 the subdistricts approving the sales tax.

49         [8. The resolution imposing the sales tax pursuant to this section shall impose upon all  
50 sellers a tax for the privilege of engaging in the business of selling tangible personal property or  
51 rendering taxable services at retail to the extent and in the manner provided in sections 144.010  
52 to 144.525, RSMo, and the rules and regulations of the director of revenue issued pursuant

53 thereto; except that the rate of the tax shall be the rate imposed by the resolution as the sales tax  
54 and the tax shall be reported and returned to and collected by the district.

55 9. (1) On and after the effective date of any sales tax imposed pursuant to this section,  
56 the district shall perform all functions incident to the administration, collection, enforcement, and  
57 operation of the tax. The sales tax imposed pursuant to this section shall be collected and  
58 reported upon such forms and under such administrative rules and regulations as may be  
59 prescribed by the district.

60 (2)] **6. After the effective date of any tax imposed under the provisions of this**  
61 **section, the director of revenue shall perform all functions incident to the administration,**  
62 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**  
63 **the state of Missouri, the additional tax authorized under the authority of this section. The**  
64 **tax imposed under this section and the tax imposed under the sales tax law of the state of**  
65 **Missouri shall be collected together and reported upon such forms and under such**  
66 **administrative rules and regulations as may be prescribed by the director of revenue.**

67 7. All [such] sales taxes [collected by the district] shall be deposited by the district in a  
68 special fund to be expended for the purposes authorized in this section. The district shall keep  
69 accurate records of the amount of money which was collected pursuant to this section, and the  
70 records shall be open to the inspection of officers of each district and the general public.

71 [(3) The district may contract with the municipality that the district is within for the  
72 municipality to collect any revenue received by the district and, after deducting the cost of such  
73 collection, but not to exceed one percent of the total amount collected, deposit such revenue in  
74 a special trust account. Such revenue and interest may be applied by the municipality to  
75 expenses, costs, or debt service of the district at the direction of the district as set forth in a  
76 contract between the municipality and the district.

77 10. (1) All applicable provisions contained in sections 144.010 to 144.525, RSMo,  
78 governing the state sales tax, sections 32.085 and 32.087, RSMo, and section 32.057, RSMo, the  
79 uniform confidentiality provision, shall apply to the collection of the tax imposed by this section,  
80 except as modified in this section.

81 (2) All exemptions granted to agencies of government, organizations, persons, and to the  
82 sale of certain articles and items of tangible personal property and taxable services pursuant to  
83 the provisions of sections 144.010 to 144.525, RSMo, are hereby made applicable to the  
84 imposition and collection of the tax imposed by this section.

85 (3) The same sales tax permit, exemption certificate, and retail certificate required by  
86 sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales tax  
87 shall satisfy the requirements of this section, and no additional permit or exemption certificate  
88 or retail certificate shall be required; except that the district may prescribe a form of exemption  
89 certificate for an exemption from the tax imposed by this section.

90 (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws  
 91 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made  
 92 applicable to any taxes collected pursuant to the provisions of this section.

93 (5) The penalties provided in section 32.057, RSMo, and sections 144.010 to 144.525,  
 94 RSMo, for violation of those sections are hereby made applicable to violations of this section.

95 (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all  
 96 retail sales shall be deemed to be consummated at the place of business of the retailer unless the  
 97 tangible personal property sold is delivered by the retailer or the retailer's agent to an out-of-state  
 98 destination or to a common carrier for delivery to an out-of-state destination. In the event a  
 99 retailer has more than one place of business in this state which participates in the sale, the sale  
 100 shall be deemed to be consummated at the place of business of the retailer where the initial order  
 101 for the tangible personal property is taken, even though the order must be forwarded elsewhere  
 102 for acceptance, approval of credit, shipment, or billing. A sale by a retailer's employee shall be  
 103 deemed to be consummated at the place of business from which the employee works.

104 (7)] 8. Subsequent to the initial approval by the voters and implementation of a sales tax  
 105 in the district, the rate of the sales tax may be increased, but not to exceed a rate of one-half of  
 106 one percent on retail sales as provided in this subsection. The election shall be conducted in  
 107 accordance with section 67.2520; provided, however, that the district board of directors may  
 108 place the question of the increase of the sales tax before the voters of the district by resolution,  
 109 and the municipal clerk of the city, town, or village which originally conducted the incorporation  
 110 of the district, or the circuit clerk of the court which originally conducted the incorporation of  
 111 the district, shall conduct the subsequent election. In subsequent elections, the election judges  
 112 shall certify the election results to the district board of directors. The ballot of submission shall  
 113 be in substantially the following form:

114 Shall ..... (name of district) increase the ..... (insert amount) percent  
 115 district sales tax now in effect to..... (insert amount) in the ..... (name of district)?

116 ☐ YES ☐ NO

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

119  
 120 If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon  
 121 are in favor of the increase, the increase shall become effective [December thirty-first of the  
 122 calendar year in which such increase was approved] **on the first day of the second calendar**  
 123 **quarter after the director of revenue receives notification of the local sales tax increase.**

124 [11.] 9. (1) There shall not be any election as provided for in this section while the  
 125 district has any financing or other obligations outstanding.

126 (2) The board, when presented with a petition signed by at least one-third of the  
 127 registered voters in a district that voted in the last gubernatorial election, or signed by at least

128 two-thirds of property owners of the district, calling for an election to dissolve and repeal the tax  
129 shall submit the question to the voters using the same procedure by which the imposing tax was  
130 voted. The ballot of submission shall be in substantially the following form:

131 Shall ..... (name of district) dissolve and repeal the ..... (insert amount)  
132 percent district sales tax now in effect in the ..... (name of district)?

133 ☐ YES ☐ NO

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

136

137 Such subsequent elections for the repeal of the sales tax shall be conducted in accordance with  
138 section 67.2520; provided, however, that the district board of directors may place the question  
139 of the repeal of the sales tax before the voters of the district, and the municipal clerk of the city,  
140 town, or village which originally conducted the incorporation of the district, or the circuit clerk  
141 of the court which originally conducted the incorporation of the district, shall conduct the  
142 subsequent election. In subsequent elections the election judges shall certify the election results  
143 to the district board of directors.

144 (3) If a majority of the votes cast on the proposal by the qualified voters of the district  
145 voting thereon are in favor of repeal, that repeal shall become effective December thirty-first of  
146 the calendar year in which such repeal was approved or after the repayment of the district's  
147 indebtedness, whichever occurs later. **If the district abolishes the tax, the district shall notify**  
148 **the director of revenue of the action at least one hundred twenty days prior to the effective**  
149 **date of the repeal.**

150 [12.] 10. (1) At such time as the board of directors of the district determines that further  
151 operation of the district is not in the best interests of the inhabitants of the district, and that the  
152 district should dissolve, the board shall submit for a vote in an election held throughout the  
153 district the question of whether the district should be abolished. The question shall be submitted  
154 in substantially the following form:

155 Shall the ..... theater, cultural arts, and entertainment district be abolished?

156 ☐ YES ☐ NO

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

159 (2) The district board shall not propose the question to abolish the district while there  
160 are outstanding claims or causes of action pending against the district, while the district liabilities  
161 exceed its assets, while indebtedness of the district is outstanding, or while the district is  
162 insolvent, in receivership or under the jurisdiction of the bankruptcy court. Prior to submitting  
163 the question to abolish the district to a vote of the entire district, the state auditor shall audit the  
164 district to determine the financial status of the district, and whether the district may be abolished  
165 pursuant to law. The vote on the abolition of the district shall be conducted by the municipal

166 clerk of the city, town, or village in which the district is located. The procedure shall be the same  
167 as in section 67.2520, except that the question shall be determined by the qualified voters of the  
168 entire district. No individual subdistrict may be abolished, except at such time as the district is  
169 abolished.

170 (3) While the district still exists, it shall continue to accrue all revenues to which it is  
171 entitled at law.

172 (4) Upon receipt by the board of directors of the district of the certification by the city,  
173 town, or village in which the district is located that the majority of those voting within the entire  
174 district have voted to abolish the district, and if the state auditor has determined that the district's  
175 financial condition is such that it may be abolished pursuant to law, then the board of directors  
176 of the district shall:

177 (a) Sell any remaining district real or personal property it wishes, and then transfer the  
178 proceeds and any other real or personal property owned by the district to the city, town, or village  
179 in which the district is located, including revenues due and owing the district, for its further use  
180 and disposition;

181 (b) Terminate the employment of any remaining district employees, and otherwise  
182 conclude its affairs;

183 (c) At a public meeting of the district, declare by a resolution of the board of directors  
184 passed by a majority vote that the district has been abolished effective that date;

185 (d) Cause copies of that resolution under seal to be filed with the secretary of state and  
186 the city, town, or village in which the district is located.

187

188 Upon the completion of the final act specified in this subsection, the legal existence of the  
189 district shall cease.

190 (5) The legal existence of the district shall not cease for a period of two years after voter  
191 approval of the abolition.

192 **11. Except as provided in this section, all provisions of sections 32.085 and 32.087**  
193 **shall apply to the tax imposed under this section.**

94.578. 1. In addition to the sales tax authorized in section 94.577, the governing body  
2 of any home rule city with more than one hundred fifty-one thousand five hundred but less than  
3 one hundred fifty-one thousand six hundred inhabitants is hereby authorized to impose, by order  
4 or ordinance, a sales tax on all retail sales made within the city which are subject to sales tax  
5 under chapter 144, RSMo. The tax authorized in this section may be imposed at a rate of  
6 one-eighth, one-fourth, three-eighths, or one-half of one percent, but shall not exceed one-half  
7 of one percent, shall not be imposed for longer than three years, and shall be imposed solely for  
8 the purpose of funding the construction, operation, and maintenance of capital improvements in  
9 the city's center city. The governing body may issue bonds for the funding of such capital  
10 improvements, which will be retired by the revenues received from the sales tax authorized by

11 this section. The order or ordinance shall not become effective unless the governing body of the  
12 city submits to the voters residing within the city at a state or municipal general, primary, or  
13 special election a proposal to authorize the governing body of the city to impose a tax under this  
14 section. The tax authorized in this section shall be in addition to all other sales taxes imposed  
15 by law, and shall be stated separately from all other charges and taxes.

16 2. The ballot submission for the tax authorized in this section shall be in substantially  
17 the following form:

18 Shall ..... (insert the name of the city) impose a sales tax at a rate of  
19 .....(insert rate of percent) percent for a capital improvements purposes in the city's center  
20 city for a period of ..... (insert number of years, not to exceed three) years?

21 ☐ YES

☐ NO

22 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor  
23 of the question, then the tax shall become effective on the first day of the second calendar quarter  
24 after the director of revenue receives notice of the adoption of the sales tax. If a majority of the  
25 votes cast on the question by the qualified voters voting thereon are opposed to the question, then  
26 the tax shall not become effective unless and until the question is resubmitted under this section  
27 to the qualified voters and such question is approved by a majority of the qualified voters voting  
28 on the question. In no case shall a tax be resubmitted to the qualified voters of the city sooner  
29 than twelve months from the date of the proposal under this section.

30 3. Any sales tax imposed under this section shall be administered, collected, enforced,  
31 and operated as required in [section] **sections 32.085 and 32.087**, RSMo. All revenue generated  
32 by the tax shall be deposited in a special trust fund and shall be used solely for the designated  
33 purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be  
34 used solely for the designated purposes. Any funds in the special trust fund which are not needed  
35 for current expenditures shall be invested in the same manner as other funds are invested. Any  
36 interest and moneys earned on such investments shall be credited to the fund.

37 4. The director of revenue may authorize the state treasurer to make refunds from the  
38 amounts in the trust fund and credited to any city for erroneous payments and overpayments  
39 made, and may redeem dishonored checks and drafts deposited to the credit of such cities. If any  
40 city abolishes the tax, the city shall notify the director of revenue of the action at least ninety days  
41 before the effective date of the repeal, and the director of revenue may order retention in the trust  
42 fund, for a period of one year, of two percent of the amount collected after receipt of such notice  
43 to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts  
44 deposited to the credit of such accounts. After one year has elapsed after the effective date of  
45 abolition of the tax in such city, the director of revenue shall remit the balance in the account to  
46 the city and close the account of that city. The director of revenue shall notify each city of each  
47 instance of any amount refunded.

48           5. The governing body of any city that has adopted the sales tax authorized in this section  
49 may submit the question of repeal of the tax to the voters on any date available for elections for  
50 the city. The ballot of submission shall be in substantially the following form:

51           Shall ..... (insert the name of the city) repeal the sales tax imposed at  
52 a rate of ..... (insert rate of percent) percent for capital improvements purposes in the city's  
53 center city?

54                                   ☐ YES

☐ NO

55 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become  
56 effective on December thirty-first of the calendar year in which such repeal was approved. If a  
57 majority of the votes cast on the question by the qualified voters voting thereon are opposed to  
58 the repeal, then the sales tax authorized in this section shall remain effective until the question  
59 is resubmitted under this section to the qualified voters, and the repeal is approved by a majority  
60 of the qualified voters voting on the question. **If the city or county abolishes the tax, the city  
61 or county shall notify the director of revenue of the action at least one hundred twenty days  
62 prior to the effective date of the repeal.**

63           6. Whenever the governing body of any city that has adopted the sales tax authorized in  
64 this section receives a petition, signed by ten percent of the registered voters of the city voting  
65 in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this  
66 section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If  
67 a majority of the votes cast on the question by the qualified voters voting thereon are in favor of  
68 the repeal, that repeal shall become effective on December thirty-first of the calendar year in  
69 which such repeal was approved. If a majority of the votes cast on the question by the qualified  
70 voters voting thereon are opposed to the repeal, then the tax shall remain effective until the  
71 question is resubmitted under this section to the qualified voters and the repeal is approved by  
72 a majority of the qualified voters voting on the question.

73           **7. Except as provided in this section, all provisions of sections 32.085 and 32.087**  
74 **apply to the sales tax imposed under this section.**

          94.605. 1. Any city as defined in section 94.600 may by a majority vote of its governing  
2 body impose a sales tax for transportation purposes enumerated in sections 94.600 to 94.655.

3           2. The sales tax may be imposed at a rate not to exceed one-half of one percent on the  
4 receipts from the sale at retail of all tangible personal property or taxable services at retail within  
5 any city adopting such tax, if such property and services are subject to taxation by the state of  
6 Missouri under the provisions of sections 144.010 to 144.525, RSMo.

7           3. With respect to any tax increment financing plan originally approved by ordinance of  
8 the city council after March 31, 2009, in any home rule city with more than four hundred  
9 thousand inhabitants and located in more than one county, any three-eighths of one cent sales tax  
10 imposed under sections 94.600 to 94.655 shall not be considered economic activity taxes as such  
11 term is defined under sections 99.805 and 99.918, RSMo, and tax revenues derived from such

12 taxes shall not be subject to allocation under the provisions of subsection 3 of section 99.845,  
 13 RSMo, or subsection 4 of section 99.957, RSMo. Any one-eighth of one cent sales tax imposed  
 14 in such city under sections 94.600 to 94.655 for constructing and operating a light-rail transit  
 15 system shall not be considered economic activity taxes as such term is defined under sections  
 16 99.805 and 99.918, RSMo, and tax revenues derived from such tax shall not be subject to  
 17 allocation under the provisions of subsection 3 of section 99.845, RSMo, or subsection 4 of  
 18 section 99.957, RSMo.

19 [4. If the boundaries of a city in which such sales tax has been imposed shall thereafter  
 20 be changed or altered, the city or county clerk shall forward to the director of revenue by United  
 21 States registered mail or certified mail a certified copy of the ordinance adding or detaching  
 22 territory from the city. The ordinance shall reflect the effective date thereof, and shall be  
 23 accompanied by a map of the city clearly showing the territory added thereto or detached  
 24 therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 94.600 to 94.655  
 25 shall be effective in the added territory or abolished in the detached territory on the effective date  
 26 of the change of the city boundary.]

94.660. 1. The governing body of any city not within a county and any county of the first  
 2 classification having a charter form of government with a population of over nine hundred  
 3 thousand inhabitants may propose, by ordinance or order, a transportation sales tax of up to one  
 4 percent for submission to the voters of that city or county at an authorized election date selected  
 5 by the governing body.

6 2. Any sales tax approved under this section shall be imposed on the receipts from the  
 7 sale at retail of all tangible personal property or taxable services within the city or county  
 8 adopting the tax, if such property and services are subject to taxation by the state of Missouri  
 9 under sections 144.010 to 144.525, RSMo.

10 3. The ballot of submission shall contain, but need not be limited to, the following  
 11 language:

12 Shall the county/city of .....(county's or city's name) impose a  
 13 county/city-wide sales tax of.....percent for the purpose of providing a source of funds for  
 14 public transportation purposes?

15 ☐ YES

☐ NO

16 Except as provided in subsection 4 of this section, if a majority of the votes cast in that county  
 17 or city not within a county on the proposal by the qualified voters voting thereon are in favor of  
 18 the proposal, then the tax shall go into effect on the first day of the [next] **second** calendar  
 19 quarter beginning after [its adoption and notice to] the director of revenue[, but no sooner than  
 20 thirty days after such adoption and notice] **receives notice of adoption of the local sales tax.**  
 21 If a majority of the votes cast in that county or city not within a county by the qualified voters  
 22 voting are opposed to the proposal, then the additional sales tax shall not be imposed in that  
 23 county or city not within a county unless and until the governing body of that county or city not



24 within a county shall have submitted another proposal to authorize the local option transportation  
25 sales tax authorized in this section, and such proposal is approved by a majority of the qualified  
26 voters voting on it. In no event shall a proposal pursuant to this section be submitted to the  
27 voters sooner than twelve months from the date of the last proposal.

28 4. No tax shall go into effect under this section in any city not within a county or any  
29 county of the first classification having a charter form of government with a population over nine  
30 hundred thousand inhabitants unless and until both such city and such county approve the tax.

31 5. The provisions of subsection 4 of this section requiring both the city and county to  
32 approve a transportation sales tax before a transportation sales tax may go into effect in either  
33 jurisdiction shall not apply to any transportation sales tax submitted to and approved by the  
34 voters in such city or such county on or after August 28, 2007.

35 6. All sales taxes collected by the director of revenue under this section on behalf of any  
36 city or county, less one percent for cost of collection which shall be deposited in the state's  
37 general revenue fund after payment of premiums for surety bonds, shall be deposited with the  
38 state treasurer in a special trust fund, which is hereby created, to be known as the "County Public  
39 Transit Sales Tax Trust Fund". The sales taxes shall be collected as provided in section 32.087,  
40 RSMo. The moneys in the trust fund shall not be deemed to be state funds and shall not be  
41 commingled with any funds of the state. The director of revenue shall keep accurate records of  
42 the amount of money in the trust fund which was collected in each city or county approving a  
43 sales tax under this section, and the records shall be open to inspection by officers of the city or  
44 county and the public. Not later than the tenth day of each month the director of revenue shall  
45 distribute all moneys deposited in the trust fund during the preceding month to the city or county  
46 which levied the tax, and such funds shall be deposited with the treasurer of each such city or  
47 county and all expenditures of funds arising from the county public transit sales tax trust fund  
48 shall be by an appropriation act to be enacted by the governing body of each such county or city  
49 not within a county.

50 7. The revenues derived from any transportation sales tax under this section shall be used  
51 only for the planning, development, acquisition, construction, maintenance and operation of  
52 public transit facilities and systems other than highways.

53 8. The director of revenue may authorize the state treasurer to make refunds from the  
54 amount in the trust fund and credited to any city or county for erroneous payments and  
55 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of  
56 such cities or counties. If any city or county abolishes the tax, the city or county shall notify the  
57 director of revenue of the action at least ninety days prior to the effective date of the repeal and  
58 the director of revenue may order retention in the trust fund, for a period of one year, of two  
59 percent of the amount collected after receipt of such notice to cover possible refunds or  
60 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of  
61 such accounts. After one year has elapsed after the effective date of abolition of the tax in such

62 city or county, the director of revenue shall authorize the state treasurer to remit the balance in  
63 the account to the city or county and close the account of that city or county. The director of  
64 revenue shall notify each city or county of each instance of any amount refunded or any check  
65 redeemed from receipts due the city or county.

94.705. 1. Any city may by a majority vote of its governing body impose a sales tax for  
2 transportation purposes enumerated in sections 94.700 to 94.755, and issue bonds for  
3 transportation purposes which shall be retired by the revenues received from the sales tax  
4 authorized by this section. The tax authorized by this section shall be in addition to any and all  
5 other sales taxes allowed by law. No ordinance imposing a sales tax pursuant to the provisions  
6 of this section shall become effective unless the council or other governing body submits to the  
7 voters of the city, at a city or state general, primary, or special election, a proposal to authorize  
8 the council or other governing body of the city to impose such a sales tax and, if such tax is to  
9 be used to retire bonds authorized pursuant to this section, to authorize such bonds and their  
10 retirement by such tax; except that no vote shall be required in any city that imposed and  
11 collected such tax under sections 94.600 to 94.655, before January 5, 1984. The ballot of the  
12 submission shall contain, but is not limited to, the following language:

13 (1) If the proposal submitted involves only authorization to impose the tax authorized  
14 by this section, the following language:

15 Shall the city of ..... (city's name) impose a sales tax of ..... (insert amount)  
16 for transportation purposes?

17 ☐ YES ☐ NO

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed  
19 to the question, place an "X" in the box opposite "NO";

20 (2) If the proposal submitted involves authorization to issue bonds and repay such bonds  
21 with revenues from the tax authorized by this section, the following language:

22 Shall the city of ..... (city's name) issue bonds in the amount of ..... (insert  
23 amount) for transportation purposes and impose a sales tax of ..... (insert amount) to repay  
24 such bonds?

25 ☐ YES ☐ NO

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

28

29 If a majority of the votes cast on the proposal, provided in subdivision (1) of this subsection, by  
30 the qualified voters voting thereon are in favor of the proposal, then the ordinance and any  
31 amendments thereto shall be in effect. If the four-sevenths majority of the votes, as required by  
32 the Missouri Constitution, article VI, section 26, cast on the proposal, provided in subdivision  
33 (2) of this subsection to issue bonds and impose a sales tax to retire such bonds, by the qualified  
34 voters voting thereon are in favor of the proposal, then the ordinance and any amendments

35 thereto shall be in effect. If a majority of the votes cast on the proposal, as provided in  
36 subdivision (1) of this subsection, by the qualified voters voting thereon are opposed to the  
37 proposal, then the council or other governing body of the city shall have no power to impose the  
38 tax authorized in subdivision (1) of this subsection unless and until the council or other  
39 governing body of the city submits another proposal to authorize the council or other governing  
40 body of the city to impose the tax and such proposal is approved by a majority of the qualified  
41 voters voting thereon. If more than three-sevenths of the votes cast by the qualified voters voting  
42 thereon are opposed to the proposal, as provided in subdivision (2) of this subsection to issue  
43 bonds and impose a sales tax to retire such bonds, then the council or other governing body of  
44 the city shall have no power to issue any bonds or to impose the tax authorized in subdivision  
45 (2) of this subsection unless and until the council or other governing body of the city submits  
46 another proposal to authorize the council or other governing body of the city to issue such bonds  
47 or impose the tax to retire such bonds and such proposal is approved by four-sevenths of the  
48 qualified voters voting thereon.

49         2. No incorporated municipality located wholly or partially within any first class county  
50 operating under a charter form of government and having a population of over nine hundred  
51 thousand inhabitants shall impose such a sales tax for that part of the city, town or village that  
52 is located within such first class county, in the event such a first class county imposes a sales tax  
53 under the provisions of sections 94.600 to 94.655.

54         3. The sales tax may be imposed at a rate not to exceed one-half of one percent on the  
55 receipts from the sale at retail of all tangible personal property or taxable services at retail within  
56 any city adopting such tax, if such property and services are subject to taxation by the state of  
57 Missouri under the provisions of sections 144.010 to 144.525, RSMo.

58         4. [If the boundaries of a city in which such sales tax has been imposed shall thereafter  
59 be changed or altered, the city clerk shall forward to the director of revenue by United States  
60 registered mail or certified mail a certified copy of the ordinance adding or detaching territory  
61 from the city. The ordinance shall reflect the effective date thereof, and shall be accompanied  
62 by a map of the city clearly showing the territory added thereto or detached therefrom. Upon  
63 receipt of the ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be effective  
64 in the added territory or abolished in the detached territory on the effective date of the change  
65 of the city boundary.

66         5.] No tax imposed pursuant to this section for the purpose of retiring bonds issued  
67 pursuant to this section may be terminated until all of such bonds have been retired.

144.010. 1. The following words, terms, and phrases when used in sections 144.010 to  
2 144.525 and sections **144.1025 to 144.1076** have the meanings ascribed to them in this section,  
3 except when the context indicates a different meaning:

4         (1) "**Agreement**", the streamlined sales and use tax agreement, as amended from  
5 time to time;

6           (2) "Admission" includes seats and tables, reserved or otherwise, and other similar  
7 accommodations and charges made therefor and amount paid for admission, exclusive of any  
8 admission tax imposed by the federal government or by sections 144.010 to 144.525;

9           [(2)] (3) **"Advertising and promotional direct mail", printed material that meets**  
10 **the definition of direct mail, the primary purpose of which is to attract public attention to**  
11 **a product, person, business, or organization, or to attempt to sell, popularize, or secure**  
12 **financial support for a product, person, business, or organization. As used in this**  
13 **subdivision, the word "product" means tangible personal property, a product transferred**  
14 **electronically or a service;**

15           (4) **"Air-to-ground radiotelephone service", a radio service, as that term is defined**  
16 **in 47 C.F.R. 22.99, in which common carriers are authorized to offer and provide radio**  
17 **telecommunications service for hire to subscribers in aircraft;**

18           (5) **"Alcoholic beverages", beverages that are suitable for human consumption and**  
19 **contain one-half of one percent or more of alcohol by volume;**

20           (6) **"Ancillary services", services that are associated with or incidental to the**  
21 **provisions of telecommunications services, including but not limited to, detailed**  
22 **telecommunications billing, directory assistance, vertical service, and voice mail services;**

23           (7) **"Bundled transaction", the retail sale of two or more products, except real**  
24 **property and services to real property, where the products are otherwise distinct and**  
25 **identifiable, and the products are sold for one non-itemized price. A "bundled**  
26 **transaction" shall not include the sale of any products in which the sales price varies, or**  
27 **is negotiable, based on the selection by the purchaser of the products included in the**  
28 **transaction. As used in this subdivision, the term "distinct and identifiable products" shall**  
29 **not include:**

30           (a) **Packaging, such as containers, boxes, sacks, bags, bottles, wrapping, labels, tags,**  
31 **instruction guides, or other materials that accompany the retail sale of the products and**  
32 **are incidental or immaterial to the retail sale thereof;**

33           (b) **A product provided free of charge with the required purchase of another**  
34 **product. A product is provided free of charge if the sales price of the product purchased**  
35 **does not vary depending on the inclusion of the product provided free of charge;**

36           (c) **Items included in the definition of the term "sales price". As used in this**  
37 **subdivision, the term "one non-itemized price" shall not include a price that is separately**  
38 **identified by product on binding sales or other supporting sales-related documentation**  
39 **made available to the customer in paper or electronic form including, but not limited to,**  
40 **an invoice, bill of sale, receipt, contract, service agreement, lease agreement, periodic notice**  
41 **of rates and services, rate card, or price list. A transaction that otherwise meets the**  
42 **definition of a bundled transaction as defined in this subdivision shall not constitute a**  
43 **bundled transaction if it is:**

44           **a. A retail sale of tangible personal property and a service where the tangible**  
45 **personal property is essential to the use of the service and is provided exclusively in**  
46 **connection with the service and the true object of the transaction is the service; or**

47           **b. A retail sale of services where one service is provided that is essential to the use**  
48 **of receipt of a second service and the first service is provided exclusively in connection with**  
49 **the second service and the true object of the transaction is the second service; or**

50           **c. A transaction that includes taxable products and nontaxable products and the**  
51 **sales price of the taxable products is de minimis. "De minimis" means the sales price of**  
52 **the taxable product is ten percent or less of the total sales price of the bundled products.**

53

54 **Sellers shall use the sales price of the products to determine if the taxable products are de**  
55 **minimis. Sellers shall use the full term of a service contract to determine if the taxable**  
56 **products are de minimis; or**

57           **d. A retail sale of exempt tangible personal property and taxable tangible personal**  
58 **property where:**

59           **i. The transaction included food and food ingredients, drugs, durable medical**  
60 **equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices, or**  
61 **medical supplies; and**

62           **ii. The seller's purchase price or sales price of the taxable tangible personal**  
63 **property is fifty percent or less of the total sales price of the bundled tangible personal**  
64 **property;**

65           **(8) "Business" includes any activity engaged in by any person, or caused to be engaged**  
66 **in by him, with the object of gain, benefit or advantage, either direct or indirect, and the**  
67 **classification of which business is of such character as to be subject to the terms of sections**  
68 **144.010 to 144.525. The isolated or occasional sale of tangible personal property, service,**  
69 **substance, or thing, by a person not engaged in such business, does not constitute engaging in**  
70 **business within the meaning of sections 144.010 to 144.525 unless the total amount of the gross**  
71 **receipts from such sales, exclusive of receipts from the sale of tangible personal property by**  
72 **persons which property is sold in the course of the partial or complete liquidation of a household,**  
73 **farm or nonbusiness enterprise, exceeds three thousand dollars in any calendar year. The**  
74 **provisions of this subdivision shall not be construed to make any sale of property which is**  
75 **exempt from sales tax or use tax on June 1, 1977, subject to that tax thereafter;**

76           **[(3)] (9) "Call-by-call basis", any method of charging for telecommunications**  
77 **services where the price is measured by individual calls;**

78           **(10) "Certified automated system" or "CAS", software certified under the**  
79 **streamlined sales and use tax agreement to calculate the tax imposed by each jurisdiction**  
80 **on a transaction, determine the amount of tax to remit to the appropriate state, and**  
81 **maintain a record of the transaction;**

82           (11) "Certified service provider" or "CSP", an agent certified under the  
83 streamlined sales and use tax agreement to perform all the seller's sales and use tax  
84 functions, other than the seller's obligation to remit tax on its own purchases;

85           (12) "Communications channel", a physical or virtual path of communications over  
86 which signals are transmitted between or among customer channel termination points;

87           (13) "Computer software", a set of coded instructions designed to cause a computer  
88 or automatic data processing equipment to perform a task;

89           (14) "Customer", the person or entity that contracts with the seller of  
90 telecommunications services. If the end user of telecommunications services is not the  
91 contracting party, the end user of the telecommunications service is the customer of the  
92 telecommunication service, but this subdivision only applies to the purpose of sourcing  
93 sales of telecommunications under chapter 314. "Customer" shall not include a reseller  
94 of telecommunications service or for mobile telecommunications service of a serving carrier  
95 under an agreement to serve the customer outside the home service provider's licensed  
96 service area;

97           (15) "Customer channel termination point", the location where the customer either  
98 inputs or receives the communication;

99           (16) "Delivered electronically", delivered to the purchaser by means other than  
100 tangible storage media;

101           (17) "Delivery charges", charges by the seller of personal property or services for  
102 preparation and delivery to a location designated by the purchaser of personal property  
103 or services including, but not limited to, transportation, shipping, postage, handling,  
104 crating, and packing;

105           (18) "Dietary supplement", any product, other than tobacco, intended to  
106 supplement the diet that contains one or more of the following dietary ingredients: a  
107 vitamin; a mineral; an herb or other botanical; an amino acid; a dietary substance for use  
108 by humans to supplement the diet by increasing the total dietary intake; or a concentrate,  
109 metabolite, constituent, extract, or combination of any ingredient described above; and  
110 that is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or  
111 if not intended for ingestion in such a form, is not represented as a conventional food and  
112 is not represented for use as a sole item of a meal or of the diet; and that is required to be  
113 labeled as a dietary supplement, identifiable by the supplemental facts box found on the  
114 label and as required pursuant to 21 C.F.R. Section 101.36;

115           (19) "Direct mail", printed material delivered or distributed by United States mail  
116 or other delivery service to a mass audience or to addressees on a mailing list provided by  
117 the purchaser or at the direction of the purchaser when the cost of the items are not billed  
118 directly to the recipients. The term "direct mail" shall include tangible personal property  
119 supplied directly or indirectly by the purchaser to the direct mail seller for inclusion in the

120 package containing the printed material. "Direct mail" shall not include multiple items of  
121 printed material delivered to a single address;

122 (20) "Drug", a compound, substance, or preparation, and any component of a  
123 compound, substance, or preparation, other than food and food ingredients, dietary  
124 supplements, alcoholic beverages, or grooming and hygiene products:

125 (a) Recognized in the official United State Pharmacopoeia, official Homeopathic  
126 Pharmacopoeia of the United States, or official National Formulary, and supplement to any  
127 of them;

128 (b) Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of  
129 disease; or

130 (c) Intended to affect the structure or any function of the body;

131 (21) "Durable medical equipment", equipment including repair and replacement  
132 parts for same, excluding mobility enhancing equipment. Durable medical equipment:

133 (a) Can withstand repeated use;

134 (b) Is primarily and customarily used to serve a medical purpose;

135 (c) Generally is not useful to a person in the absence of illness or injury;

136 (d) Is not worn in or on the body;

137 (e) Is for home use;

138 (f) Is within the classification of devices eligible for Mo HealthNet and Medicare  
139 reimbursement;

140 (g) Shall not include:

141 a. Oxygen delivery equipment not worn in or on the body, including repair and  
142 replacement parts;

143 b. Kidney dialysis equipment not worn in or on the body, including repair and  
144 replacement parts; and

145 c. Enteral feeding systems not worn in or on the body, including repair and  
146 replacement parts.

147

148 As used in this subdivision, the term "repair and replacement parts" shall include all  
149 components or attachments used in conjunction with the durable medical equipment;

150 (22) "Electronic", relating to technology having electrical, digital, magnetic,  
151 wireless, optical, electromagnetic, or similar capabilities;

152 (23) "End user", the person who utilizes the telecommunication service. In case of  
153 an entity, "end user" means the individual who utilizes the service on behalf of the entity;

154 (24) "Food and food ingredients", substances, whether in liquid, concentrated,  
155 solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans  
156 and are consumed for their taste or nutritional value. "Food and food ingredients" shall  
157 not include alcoholic beverages, tobacco, or dietary supplements;

158           (25) "Food sold through vending machines", food dispensed from a machine or  
159 other mechanical device that accepts payment;

160           (26) "Grooming and hygiene products", soaps and cleaning solutions, shampoo,  
161 toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of  
162 whether the items meet the definition of over-the-counter-drugs;

163           (27) "Grooming and hygiene products", soaps and cleaning solutions, shampoo,  
164 toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of  
165 whether the items meet the definition of over-the-counter-drugs;

166           (28) "Gross receipts" or "sales price", except as provided in section 144.012, [means  
167 the total amount of the sale price of the sales at retail including any services other than charges  
168 incident to the extension of credit that are a part of such sales made by the businesses herein  
169 referred to, capable of being valued in money, whether received in money or otherwise; except  
170 that, the term "gross receipts" shall not include the sale price of property returned by customers  
171 when the full sale price thereof is refunded either in cash or by credit. In determining any tax due  
172 under sections 144.010 to 144.525 on the gross receipts, charges incident to the extension of  
173 credit shall be specifically exempted. For the purposes of sections 144.010 to 144.525 the total  
174 amount of the sale price above mentioned shall be deemed to be the amount received. It shall  
175 also include the lease or rental consideration where the right to continuous possession or use of  
176 any article of tangible personal property is granted under a lease or contract and such transfer of  
177 possession would be taxable if outright sale were made and, in such cases, the same shall be  
178 taxable as if outright sale were made and considered as a sale of such article, and the tax shall  
179 be computed and paid by the lessee upon the rentals paid] **applies to the measure subject to  
180 sales tax and means the total amount of consideration, including cash, credit, property, and  
181 services, for which personal property or services are sold, leased, or rented, valued in  
182 money, whether received in money or otherwise, without any deduction for the following:**

183           (a) The seller's cost of the property sold;

184           (b) The cost of materials used, labor or service cost, interest, losses, all costs of  
185 transportation to the seller, all taxes imposed on the seller, and any other expense of the  
186 seller;

187           (c) Charges by the seller for any services necessary to complete the sale, other than  
188 delivery and installation charges;

189           (d) Delivery charges;

190           (e) Installation charges; and

191           (f) Credit for any trade-in, as determined by state law;

192           (29) "Home service provider", the same as that term is defined in Section 124(5) of  
193 Public Law 106-252, Mobile Telecommunications Sourcing Act;



194           **(30) "Lease or rental", any transfer of possession or control of tangible personal**  
195 **property for a fixed or indeterminate term for consideration. A lease or rental may include**  
196 **future options to purchase or extend. The term "lease or rental" shall not include:**

197           **(a) A transfer of possession or control of property under a security agreement or**  
198 **deferred payment plan that requires the transfer of title upon completion of the required**  
199 **payments;**

200           **(b) A transfer of possession or control of property under an agreement that**  
201 **requires the transfer of title upon completion of required payments and payment of an**  
202 **option price does not exceed the greater of one hundred dollars or one percent of the total**  
203 **required payments;**

204           **(c) Providing tangible personal property along with an operator for a fixed or**  
205 **indeterminate period of time provided that the operator is necessary for the equipment to**  
206 **perform as designed and the operator does more than maintain, inspect, or set up the**  
207 **tangible personal property;**

208           **(d) Agreements covering motor vehicles and trailers where the amount of**  
209 **consideration may be increased or decreased by reference to the amount realized upon sale**  
210 **or disposition of the property as defined in 26 U.S.C. 7701(h)(1), as amended;**

211           **[4.] (31) "Livestock", cattle, calves, sheep, swine, ratite birds, including but not limited**  
212 **to, ostrich and emu, aquatic products as defined in section 277.024, RSMo, llamas, alpaca,**  
213 **buffalo, elk documented as obtained from a legal source and not from the wild, goats, horses,**  
214 **other equine, or rabbits raised in confinement for human consumption;**

215           **[(5)] (32) "Load and leave", delivery to the purchaser by use of a tangible storage**  
216 **media where the tangible storage media is not physically transferred to the purchaser;**

217           **(33) "Mobile telecommunications service", the same as that term is defined in**  
218 **Section 124(7) of Public Law 106-252, Mobile Telecommunications Sourcing Act;**

219           **(34) "Mobility enhancing equipment", equipment, including repair and**  
220 **replacement parts to same, which:**

221           **(a) Is primarily and customarily used to provide or increase the ability to move**  
222 **from one place to another and which is appropriate for use either in a home or a motor**  
223 **vehicle; and**

224           **(b) Is not generally used by persons with normal mobility; and**

225           **(c) Is within the classification of devices eligible for Mo HealthNet and Medicare**  
226 **reimbursement.**

227  
228 **The term "mobility enhancement equipment" shall not include durable medical equipment**  
229 **or any motor vehicle or equipment on a motor vehicle normally provided by a motor**  
230 **vehicle manufacturer;**

(35) "Model 1 seller", a seller registered under the agreement that has selected a certified service provider as its agent to perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on its own purchases;

(36) "Model 2 seller", a seller that has selected a certified automated system (CAS) to perform part of its sales and use tax functions, but retains responsibility for remitting the tax;

(37) "Model 3 seller", a seller registered under the agreement that has sales in at least five member states, has total annual sales revenue of at least five hundred million dollars, has a proprietary system that calculates the amount of tax due each jurisdiction, and has entered into a performance agreement with the member states that establishes a tax performance standard for the seller. As used in this subdivision, a seller shall include an affiliated group of sellers using the same proprietary system;

(38) "Motor vehicle leasing company" [shall be], a company obtaining a permit from the director of revenue to operate as a motor vehicle leasing company. Not all persons renting or leasing trailers or motor vehicles need to obtain such a permit; however, no person failing to obtain such a permit may avail itself of the optional tax provisions of subsection 5 of section 144.070, as hereinafter provided;

[6.] (39) "Other direct mail", any direct mail that is not advertising and promotional direct mail regardless of whether advertising and promotional direct mail is included in the same mailing. The term "other direct mail" shall include, but not be limited to:

(a) Transactional direct mail that contains personal information specific to the one addressee including, but not limited to, invoices, bills, statements of account, and payroll advices;

(b) Any legally required mailings including, but not limited to, privacy notices, tax reports, and stockholder reports; and

(c) Other nonpromotional direct mail delivered to existing or former shareholders, customers, employees, or agents including, but not limited to, newsletters and informational pieces.

The term "other direct mail" shall not include the development of billing information or the provision or any data processing service that is more than incidental;

(40) "Over-the-counter-drug", a drug, excluding grooming and hygiene products, that contains a label that identifies the product as a drug as required by 21 C.F.R. Section 201.66 and includes:

(a) A drug facts panel; or

(b) A statement of the active ingredients with a list of those ingredients contained in the compound, substance, or preparation;

269           **(41) "Person" [includes] , any individual, firm, copartnership, joint adventure,**  
270 **association, corporation, municipal or private, and whether organized for profit or not, state,**  
271 **county, political subdivision, state department, commission, board, bureau or agency, except the**  
272 **state transportation department, estate, trust, business trust, receiver or trustee appointed by the**  
273 **state or federal court, syndicate, or any other group or combination acting as a unit, and the plural**  
274 **as well as the singular number;**

275           **[7.] (42) "Place of primary use", the street address representative of where the**  
276 **customer's use of the telecommunications service primarily occurs, which must be the**  
277 **residential street address or the primary business street address of the customer. In**  
278 **Streamlined Sales and Use Tax Agreement, Page 29, January 13, 2006, the case of mobile**  
279 **telecommunications services, place of primary use must be within the licensed service area**  
280 **of the home service provider;**

281           **(43) "Post-paid calling service", the telecommunications service obtained by**  
282 **making a payment on a call-by-call basis either through the use of a credit card or payment**  
283 **mechanism such as a bank card, travel card, credit card, or debit card, or by charge made**  
284 **to a telephone number which is not associated with the origination or termination of the**  
285 **telecommunications service. A post-paid calling service includes a telecommunications**  
286 **service, except a prepaid wireless calling service, that would be a prepaid calling service**  
287 **except it is not exclusively a telecommunications service;**

288           **(44) "Prepaid calling service", the right to access exclusively telecommunications**  
289 **services, which must be paid for in advance and which enables the origination of calls using**  
290 **an access number or authorization code, whether manually or electronically dialed, and**  
291 **that is sold in predetermined units or dollars of which the number declines with use in a**  
292 **known amount;**

293           **(45) "Prepaid wireless calling service", a telecommunications service that provides**  
294 **the right to utilize mobile wireless services as well as other non-telecommunications**  
295 **services, including the download of digital products delivered electronically, content and**  
296 **ancillary services, which must be paid for in advance and that is sold in predetermined**  
297 **units or dollars of which the number declines with use in a known amount;**

298           **(46) "Prepared food", food sold in a heated state or heated by the seller; two or**  
299 **more food ingredients mixed or combined by the seller for sale as a single item; or food**  
300 **sold with eating utensils provided by the seller, including plates, knives, forks, spoons,**  
301 **glasses, cups, napkins, or straws. A plate shall not include a container or packaging used**  
302 **to transport the food. "Prepared food" shall not include food that is only cut, repackaged,**  
303 **or pasteurized by the seller and eggs, fish, meat, poultry, and foods containing these raw**  
304 **animal foods requiring cooking by the consumer as recommended by the Food and Drug**  
305 **Administration in Chapter 3, Part 401.11 of the Food Code so as to prevent food borne**  
306 **illnesses;**

307           (47) "Prescription", an order, formula, or recipe issued in any form of oral,  
308 written, electronic, or other means of transmission by a duly licensed practitioner  
309 authorized by the laws of the state;

310           (48) "Prewritten computer software", computer software, including prewritten  
311 upgrades, which is not designed and developed by the author or other creator to the  
312 specifications of a specific purchaser. The combining of two or more prewritten computer  
313 software programs or prewritten portions thereof shall not cause the combination to be  
314 other than prewritten computer software. Prewritten computer software shall include  
315 software designed and developed by the author or other creator to the specifications of a  
316 specific purchaser when it is sold to a person other than the specific purchaser. Where a  
317 person modifies or enhances computer software of which the person is not the author or  
318 creator, the person shall be deemed to be the author or creator only of such person's  
319 modifications or enhancements. Prewritten computer software or a prewritten portion  
320 thereof that is modified or enhanced to any degree, where such modification or  
321 enhancement is designed and developed to the specifications of a specific purchaser,  
322 remains prewritten computer software; provided, however, that where there is a  
323 reasonable, separately stated charge or an invoice or other statement of the price given to  
324 the purchaser for such modification or enhancement, such modification or enhancement  
325 shall not constitute prewritten computer software;

326           (49) "Private communication service", a telecommunications service that entitles  
327 the customer to exclusive or priority use of a communications channel or group of channels  
328 between or among termination points, regardless of the manner in which such channel or  
329 channels are connected, and includes switching capacity, extension lines, stations, and any  
330 other associated services that are provided in connection with the use of such channel or  
331 channels;

332           (50) "Product-based exemption", an exemption based on the description of the  
333 product and not based on who purchases the product or how the purchaser intends to use  
334 the product;

335           (51) "Product which is intended to be sold ultimately for final use or consumption",  
336 tangible personal property, or any service that is subject to state or local sales or use taxes,  
337 or any tax that is substantially equivalent to these taxes, in this state or any other state;

338           (52) "Prosthetic device", a replacement, corrective, or supportive device including  
339 repair and replacement parts for same worn on or in the body to artificially replace a  
340 missing portion of the body, prevent or correct physical deformity or malfunction, or  
341 support a weak or deformed portion of the body. The term "prosthetic device" shall not  
342 include corrective eyeglasses or contact lenses and shall be limited to the classification of  
343 devices eligible for MO HealthNet and Medicare reimbursement;

344           **(53) "Purchase price", applies to the measure subject to use tax and has the same**  
345 **meaning as sales price;**

346           **(54) "Purchaser" [means] , a person who purchases tangible personal property or to**  
347 **whom are rendered services, receipts from which are taxable under sections 144.010 to 144.525;**

348           **[(8)] (55) "Receive" or "receipt", taking possession of tangible personal property;**  
349 **making first use of services; or taking possession or making first use of digital goods,**  
350 **whichever comes first. The terms "receive" and "receipt" shall not include possession by**  
351 **a shipping company on behalf of the purchaser;**

352           **(56) "Research or experimentation activities" [are] , the development of an experimental**  
353 **or pilot model, plant process, formula, invention or similar property, and the improvement of**  
354 **existing property of such type. Research or experimentation activities do not include activities**  
355 **such as ordinary testing or inspection of materials or products for quality control, efficiency**  
356 **surveys, advertising promotions or research in connection with literary, historical or similar**  
357 **projects;**

358           **[(9) "Sale" or "sales" includes installment and credit sales, and the exchange of**  
359 **properties as well as the sale thereof for money, every closed transaction constituting a sale, and**  
360 **means any transfer, exchange or barter, conditional or otherwise, in any manner or by any means**  
361 **whatsoever, of tangible personal property for valuable consideration and the rendering,**  
362 **furnishing or selling for a valuable consideration any of the substances, things and services**  
363 **herein designated and defined as taxable under the terms of sections 144.010 to 144.525;**

364           **[(10)] (57) "Sale at retail" [means any transfer made by any person engaged in business**  
365 **as defined herein of the ownership of, or title to, tangible personal property to the purchaser, for**  
366 **use or consumption and not for resale in any form as tangible personal property, for a valuable**  
367 **consideration; except that, for the purposes of sections 144.010 to 144.525 and the tax imposed**  
368 **thereby: (i) purchases of tangible personal property made by duly licensed physicians, dentists,**  
369 **optometrists and veterinarians and used in the practice of their professions shall be deemed to**  
370 **be purchases for use or consumption and not for resale; and (ii) the selling of computer printouts,**  
371 **computer output or microfilm or microfiche and computer-assisted photo compositions to a**  
372 **purchaser to enable the purchaser to obtain for his or her own use the desired information**  
373 **contained in such computer printouts, computer output on microfilm or microfiche and**  
374 **computer-assisted photo compositions shall be considered as the sale of a service and not as the**  
375 **sale of tangible personal property] , any sale, lease, or rental for any purpose other than for**  
376 **resale, sublease, or subrent. Purchases of tangible personal property made by duly**  
377 **licensed physicians, dentists, optometrists, and veterinarians and used in the practice of**  
378 **their professions shall be deemed to be purchases for use or consumption and not for**  
379 **resale. Where necessary to conform to the context of sections 144.010 to 144.525 and the tax**  
380 **imposed thereby, the term "sale at retail" shall be construed to embrace:**

381 (a) Sales of admission tickets, cash admissions, charges and fees to or in places of  
382 amusement, entertainment and recreation, games and athletic events;

383 (b) Sales of electricity, electrical current, water and gas, natural or artificial, to domestic,  
384 commercial or industrial consumers;

385 (c) Sales of local and long distance telecommunications service to telecommunications  
386 subscribers and to others through equipment of telecommunications subscribers for the  
387 transmission of messages and conversations, and the sale, rental or leasing of all equipment or  
388 services pertaining or incidental thereto;

389 (d) Sales of service for transmission of messages by telegraph companies;

390 (e) Sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern,  
391 inn, restaurant, eating house, drugstore, dining car, tourist camp, tourist cabin, or other place in  
392 which rooms, meals or drinks are regularly served to the public;

393 (f) Sales of tickets by every person operating a railroad, sleeping car, dining car, express  
394 car, boat, airplane, and such buses and trucks as are licensed by the division of motor carrier and  
395 railroad safety of the department of economic development of Missouri, engaged in the  
396 transportation of persons for hire;

397 **(58) "Sales price", applies to the measure subject to sales tax and means the total**  
398 **amount of consideration, including cash, credit, property, and services, for which personal**  
399 **property or services are sold, leased, or rented, valued in money, whether received in**  
400 **money or otherwise, without any deduction for the following:**

401 (a) The seller's cost of the property sold;

402 (b) The cost of materials used, labor or service cost, interest, losses, all costs of  
403 transportation to the seller, all taxes imposed on the seller, and any other expense of the  
404 seller;

405 (c) Charges by the seller for any services necessary to complete the sale, other than  
406 delivery and installation charges;

407 (d) Delivery charges;

408 (e) Installation charges; or

409 (f) Credit for any trade-in, as determined by state law;

410 [(11)] **(59) "Seller" means a person selling or furnishing tangible personal property or**  
411 **rendering services, on the receipts from which a tax is imposed pursuant to section 144.020;**

412 [(12)] **(60) "Service address", the location of the telecommunications equipment to**  
413 **which a customer's call is charged and from which the call originates or terminates,**  
414 **regardless of where the call is billed or paid. If the location the telecommunications**  
415 **equipment to which a customer's call is charged and from which the call originates or**  
416 **terminates is not known, the service address shall be the location of the customer's place**  
417 **of primary use;**

(61) "Tangible personal property", personal property that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses. "Tangible personal property" shall include electricity, water, gas, steam, and prewritten computer software;

(62) The noun "tax" means either the tax payable by the purchaser of a commodity or service subject to tax, or the aggregate amount of taxes due from the vendor of such commodities or services during the period for which he or she is required to report his or her collections, as the context may require;

[(13)] (63) "Telecommunications service", [for the purpose of this chapter, the transmission of information by wire, radio, optical cable, coaxial cable, electronic impulses, or other similar means. As used in this definition, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. Telecommunications service does not include the following if such services are separately stated on the customer's bill or on records of the seller maintained in the ordinary course of business:

(a) Access to the Internet, access to interactive computer services or electronic publishing services, except the amount paid for the telecommunications service used to provide such access;

(b) Answering services and one-way paging services;

(c) Private mobile radio services which are not two-way commercial mobile radio services such as wireless telephone, personal communications services or enhanced specialized mobile radio services as defined pursuant to federal law; or

(d) Cable or satellite television or music services; and

(14) "Product which is intended to be sold ultimately for final use or consumption" means tangible personal property, or any service that is subject to state or local sales or use taxes, or any tax that is substantially equivalent thereto, in this state or any other state.] **the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. The term "telecommunications service" shall include such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice over Internet protocol services or is classified by the Federal Communications Commission as enhanced or value added. "Telecommunications service" shall include air-to-ground radiotelephone service, mobile telecommunications service, post-paid calling service, prepaid calling service, prepaid wireless calling service, and private communication service. "Telecommunications service" shall not include:**

(a) Data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a

455 purchaser where such purchaser's primary purpose for the underlying transaction is the  
456 processed data or information;

457 (b) Installation or maintenance of wiring or equipment on a customer's premises;

458 (c) Tangible personal property;

459 (d) Advertising, including but not limited to directory advertising;

460 (e) Billing and collection services provided to third parties;

461 (f) Internet access service;

462 (g) Radio and television audio and video programming services, regardless of the  
463 medium, including the furnishing of transmission, conveyance, and routing of such services  
464 by the programming service provider. Radio and television audio and video programming  
465 services shall include but not be limited to cable service, as defined in 47 U.S.C. 522(6), and  
466 audio and video programming services delivered by commercial mobile radio service  
467 providers, as defined in 47 C.F.R. 20.3;

468 (h) Ancillary services; or

469 (i) Digital products delivered electronically, including, but not limited to, software,  
470 music, video, reading materials, or ring tones;

471 (64) "Transportation equipment", any of the following:

472 (a) Locomotives and railcars that are utilized for the carriage of persons or  
473 property in interstate commerce;

474 (b) Trucks and truck-tractors with a gross vehicle weight rating (GVWR) of ten  
475 thousand one pounds or greater, trailers, semi-trailers, or passenger buses that are:

476 a. Registered through the International Registration Plan; and

477 b. Operated under authority of a carrier authorized and certificated by the United  
478 States Department of Transportation or another federal authority to engage in the carriage  
479 of persons or property in interstate commerce;

480 c. Aircraft that are operated by air carriers authorized and certificated by the  
481 United States Department of Transportation or another federal or a foreign authority to  
482 engage in the carriage of persons or property in interstate or foreign commerce;

483 (c) Containers designed for use on and component parts attached or secured on the  
484 items set forth in subparagraphs a. to c. of paragraph (b) of this subdivision;

485 (65) "Tobacco", cigarettes, cigars, chewing or pipe tobacco, or any other item that  
486 contains tobacco.

487 2. For purposes of the taxes imposed under sections 144.010 to 144.525, and any other  
488 provisions of law pertaining to sales or use taxes which incorporate the provisions of sections  
489 144.010 to 144.525 by reference, the term "manufactured homes" shall have the same meaning  
490 given it in section 700.010, RSMo.

491 3. Sections 144.010 to 144.525 may be known and quoted as the "Sales Tax Law".



144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, the tax levied and imposed pursuant to sections 144.010 to 144.525 and sections 144.600 to 144.746 on all retail sales of food shall be at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in the school district trust fund and shall be distributed as provided in section 144.701.

2. For the purposes of this section, the term "food" shall include only [those products and types of food for which food stamps may be redeemed pursuant to the provisions of the Federal Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it may be amended hereafter, and shall include food dispensed by or through vending machines] **food and food ingredients; food sold through vending machines; and prepared food sold in an unheated state by weight or volume as a single item without eating utensils, food sold by a seller whose proper primary NAICS classification is manufacturing in sector 311 and bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and tortillas.** For the purpose of this section, except for vending machine sales, the term "food" shall not include food or drink sold by any establishment where the gross receipts derived from the sale of food prepared by such establishment for immediate consumption on or off the premises of the establishment constitutes more than eighty percent of the total gross receipts of that establishment, regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café.

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

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

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824, RSMo; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into 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 have  
50 the same meaning pursuant to section 301.010, RSMo. Material recovery is not the reuse of  
51 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, in the  
73 transportation of persons or property;

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 primary 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;

92 (15) Machinery, equipment, appliances and devices purchased or leased and used solely  
93 for the purpose of preventing, abating or monitoring water pollution, and materials and supplies

94 solely required for the installation, construction or reconstruction of such machinery, equipment,  
95 appliances and devices;

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

97 (17) All amounts paid or charged for admission or participation or other fees paid by or  
98 other charges to individuals in or for any place of amusement, entertainment or recreation, games  
99 or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a  
100 municipality or other political subdivision where all the proceeds derived therefrom benefit the  
101 municipality or other political subdivision and do not inure to any private person, firm, or  
102 corporation;

103 (18) All sales of [insulin and prosthetic or orthopedic devices as defined on January 1,  
104 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of  
105 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically  
106 including hearing aids and hearing aid supplies and all sales of drugs which may be legally  
107 dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to  
108 administer those items, including samples and materials used to manufacture samples which may  
109 be dispensed by a practitioner authorized to dispense such samples and all sales of medical  
110 oxygen, home respiratory equipment and accessories, hospital beds and accessories and  
111 ambulatory aids, all sales of manual and powered wheelchairs, stairway lifts, Braille writers,  
112 electronic Braille equipment and, if purchased by or on behalf of a person with one or more  
113 physical or mental disabilities to enable them to function more independently, all sales of  
114 scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and  
115 augmentative communication devices, and items used solely to modify motor vehicles to permit  
116 the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or  
117 nonprescription drugs to individuals with disabilities] **drugs, durable medical equipment,**  
118 **prosthetic devices, and mobility enhancing equipment;**

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

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

(21) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530, RSMo;

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

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

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

169 (a) "Domestic use" means that portion of metered water service, electricity, electrical  
170 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not  
171 within a county, metered or unmetered water service, which an individual occupant of a  
172 residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility  
173 service through a single or master meter for residential apartments or condominiums, including  
174 service for common areas and facilities and vacant units, shall be deemed to be for domestic use.  
175 Each seller shall establish and maintain a system whereby individual purchases are determined  
176 as exempt or nonexempt;

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

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

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

204 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071,  
205 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of

206 revenue shall promulgate rules pursuant to chapter 536, RSMo, to eliminate all state and local  
207 sales taxes on such excise taxes;

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

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

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

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

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

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

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

231 (33) Tangible personal property and utilities purchased for use or consumption directly  
232 or exclusively in the research and development of agricultural/biotechnology and plant genomics  
233 products and prescription pharmaceuticals consumed by humans or animals;

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

235 (35) All sales of feed which are developed for and used in the feeding of pets owned by  
236 a commercial breeder when such sales are made to a commercial breeder, as defined in section  
237 273.325, RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

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

(38) 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;

(39) All purchases by a sports complex authority created under section 64.920, RSMo;

(40) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories.

144.049. 1. For purposes of this section, the following terms mean:

(1) "Clothing", [any article of wearing apparel, including footwear, intended to be worn on or about the human body. The term shall include but not be limited to cloth and other material used to make school uniforms or other school clothing. Items normally sold in pairs shall not be separated to qualify for the exemption. The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles; and] **all human wearing apparel suitable for general use. "Clothing" shall not include:**

(a) **Belt buckles sold separately;**

(b) **Costume masks sold separately;**

(c) **Patches and emblems sold separately;**



12           (d) Sewing equipment and supplies, including but not limited to, knitting needles,  
13 patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and

14           (e) Sewing materials that become part of "clothing" including, but not limited to,  
15 buttons, fabric, lace, thread, yarn, and zippers;

16           (2) ["Personal computers", a laptop, desktop, or tower computer system which consists  
17 of a central processing unit, random access memory, a storage drive, a display monitor, and a  
18 keyboard and devices designed for use in conjunction with a personal computer, such as a disk  
19 drive, memory module, compact disk drive, daughterboard, digitalizer, microphone, modem,  
20 motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user  
21 operating system, soundcard, or video card;

22           (3) "School supplies", [any item normally used by students in a standard classroom for  
23 educational purposes, including but not limited to textbooks, notebooks, paper, writing  
24 instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk,  
25 maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting  
26 equipment, portable or desktop telephones, copiers or other office equipment, furniture, or  
27 fixtures. School supplies shall also include computer software having a taxable value of three  
28 hundred fifty dollars or less] **items commonly used by a student in a course of study which**  
29 **shall be limited to: binders; book bags; calculators; cellophane tape; blackboard chalk;**  
30 **compasses; composition books; crayons; erasers; expandable, pocket, plastic, and manila**  
31 **folders; glue; paste; paste sticks; highlighters; index cards; index card boxes; legal pads;**  
32 **lunch boxes; markers; notebooks; paper; loose leaf ruled notebook paper; copy paper;**  
33 **graph paper; tracing paper; manila paper; colored paper; poster board; construction**  
34 **paper; pencil boxes and other school supply boxes; pencil sharpeners; pencils; pens;**  
35 **prewritten computer software; protractors; scissors; writing tablets; school art supplies;**  
36 **school instructional materials; and school computer supplies;**

37           (4) "School art supplies", items commonly used by a student in a course of study  
38 for artwork and shall only include:

39           (a) Clay and glazes;

40           (b) Paints, acrylic, tempera, and oil;

41           (c) Paintbrushes for artwork;

42           (d) Sketch and drawing pads;

43           (e) Watercolors;

44           (5) "School instructional materials", written materials commonly used by a student  
45 in a course of study as a reference and to learn the subject being taught which shall only  
46 include:

47           (a) Reference books;

48           (b) Reference maps and globes;

49           (c) Textbooks; and

- 50           **(d) Workbooks;**  
51           **(6) "School computer supplies", items commonly used by a student in a course of**  
52 **study in which a computer is used, which shall be limited to:**  
53           **(a) Computer storage media, diskettes, compact disks;**  
54           **(b) Handheld electronic schedulers, except devices that are cellular phones;**  
55           **(c) Personal digital assistants, except devices that are cellular phones; and**  
56           **(d) Computer printers and printer supplies for computers, printer paper, and**  
57 **printer ink.**

58           2. In each year beginning on or after January 1, 2005, there is hereby specifically  
59 exempted from state sales tax law all retail sales of any article of clothing having a taxable value  
60 of one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per  
61 purchase, all computer software with a taxable value of three hundred fifty dollars or less, and  
62 all retail sales of [personal] computers [or computer peripheral devices] not to exceed three  
63 thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first  
64 Friday in August and ending at midnight on the Sunday following.

65           3. [If the governing body of any political subdivision adopted an ordinance that applied  
66 to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax  
67 holiday to apply to such political subdivision's local sales tax, then, notwithstanding any  
68 provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such  
69 political subdivision's local sales tax. However, any such political subdivision may enact an  
70 ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political  
71 subdivision must notify the department of revenue not less than forty-five calendar days prior  
72 to the beginning date of the sales tax holiday occurring in that year of any ordinance or order  
73 rescinding an ordinance or order to opt out.

74           4.] This section shall not apply to any sales which take place within the Missouri state  
75 fairgrounds.

76           [5.] **4.** This section applies to sales of items bought for personal use only.

77           [6. After the 2005 sales tax holiday, any political subdivision may, by adopting an  
78 ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local  
79 sales tax. After opting out, the political subdivision may rescind the ordinance or order. The  
80 political subdivision must notify the department of revenue not less than forty-five calendar days  
81 prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or  
82 order rescinding an ordinance or order to opt out.

83           7. This section may not apply to any retailer when less than two percent of the retailer's  
84 merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales  
85 tax refund in lieu of the sales tax holiday.]

144.100. 1. Every person making any taxable sales of property or service, except  
2 transactions provided for in sections 144.070 and 144.440, individually or by duly authorized

3 officer or agent, shall make and file a written return with the director of revenue in such manner  
4 as he may prescribe.

5       2. The returns shall be on blanks designed and furnished by the director of the  
6 department of revenue and shall be filed at the times provided in sections 144.080 and 144.090.  
7 The returns shall show the amount of gross receipts from sales of taxable property and services  
8 by the person and the amount of tax due thereon by that person during and for the period covered  
9 by the return. **The director shall only require a single tax return for each taxing period and**  
10 **such return shall include only the taxing jurisdictions in which the seller makes sales**  
11 **within the state.** With each return, the person shall remit to the director of revenue the full  
12 amount of the tax due.

13       3. In case of charge and time sales the gross receipts thereof shall be included as sales  
14 in the returns as and when payments are received by the person, without any deduction therefrom  
15 whatsoever.

16       4. If an error or omission is discovered in a return or a change be necessary to show the  
17 true facts, the error may be corrected, the omission supplied, or the change made in the return  
18 next filed with the director for the filing period immediately following the filing period in which  
19 the error was made or the omission occurred, as prescribed by law, except that no refund under  
20 this chapter shall be allowed for any amount of tax paid by a seller which is based upon charges  
21 incident to credit card discounts. Any other omission or error must be corrected by filing an  
22 amended return for the erroneously reported period if the amount of tax is less than that  
23 originally reported, or an additional return if the amount of tax is greater than that originally  
24 reported. An additional return shall be deemed filed on the date the envelope in which it is  
25 mailed is postmarked or the date it is received by the director, whichever is earlier. Any payment  
26 of tax, interest, penalty or additions to tax shall be deemed filed on the date the envelope  
27 containing the payment is postmarked or the date the payment is received by the director,  
28 whichever is earlier. If a refund or credit results from the filing of an amended return, no refund  
29 or credit shall be allowed unless an application for refund or credit is properly completed and  
30 submitted to the director pursuant to section 144.190.

31       5. The amount of gross receipts from sales and the amount of tax due returned by the  
32 person, as well as all matters contained in the return, is subject to review and revision in the  
33 manner herein provided for the correction of the returns.

34       **6. The director of revenue may require any seller to file and remit sales tax**  
35 **electronically through a simplified electronic return.**

**144.105. 1. The state shall review software submitted to the streamlined sales and**  
2 **use tax governing board for certification as a certified automated system (CAS) under**  
3 **Section 501 of the streamlined sales and use tax agreement. Such review shall include a**  
4 **review to determine that the program adequately classifies the state's product-based**  
5 **exemptions. Upon completion of the review, the state shall certify to the governing board**

6 its acceptance of the classifications made by the system. The state shall relieve a certified  
7 service provider (CSP) or model 2 seller from liability to this state and its local  
8 jurisdictions for failure to collect sales or use taxes resulting from the CSP or model 2  
9 seller's reliance on the certification provided by the state.

10 2. The streamlined sales and use tax governing board and this state shall not be  
11 responsible for classification of an item or transaction with the product-based exemptions.  
12 The relief from liability provided in this section shall not be available for a CSP or model  
13 2 seller that has incorrectly classified an item or transaction into a product-based  
14 exemption certified by this state. This subsection shall apply to the individual listing of  
15 items or transactions within a product definition approved by the governing board or the  
16 state.

17 3. If the state determines that an item or transaction is incorrectly classified as to  
18 its taxability, it shall notify the CSP or model 2 seller of the incorrect classification. The  
19 CSP or model 2 seller shall have ten days to revise the classification after receipt of notice  
20 from the state of the determination. Upon expiration of the ten days, such CSP or model  
21 2 seller shall be liable for failure to collect the correct amount of sales or use taxes due and  
22 owing to the state.

144.526. 1. This section shall be known and may be cited as the "Show Me Green Sales  
2 Tax Holiday".

3 2. For purposes of this section, the following terms mean:

4 (1) "Appliance", clothes washers and dryers, water heaters, trash compactors,  
5 dishwashers, conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and  
6 freezers; and

7 (2) "Energy star certified", any appliance approved by both the United States  
8 Environmental Protection Agency and the United States Department of Energy as eligible to  
9 display the energy star label, as amended from time to time.

10 3. In each year beginning on or after January 1, 2009, there is hereby specifically  
11 exempted from state sales tax law all retail sales of any energy star certified new appliance, up  
12 to one thousand five hundred dollars per appliance, during a seven-day period beginning at 12:01  
13 a.m. on April nineteenth and ending at midnight on April twenty-fifth.

14 [4. A political subdivision may allow the sales tax holiday under this section to apply to  
15 its local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall  
16 notify the department of revenue not less than forty-five calendar days prior to the beginning date  
17 of the sales tax holiday occurring in that year of any such ordinance or order.

18 5. This section may not apply to any retailer when less than two percent of the retailer's  
19 merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales  
20 tax refund in lieu of the sales tax holiday.]

144.625. To secure the payment of the tax, interest and penalties, which may become due from a vendor as provided in sections 144.600 to 144.745, the director of revenue may, where necessary to secure the payment of the tax, interest, and penalties require [all vendors] **a vendor** to file a bond or a letter of credit in an amount to be determined by the director, under the same requirements as provided in section 144.087.

144.655. 1. Every vendor, on or before the last day of the month following each calendar quarterly period of three months, shall file with the director of revenue a return of all taxes collected for the preceding quarter in the form prescribed by the director of revenue, showing the total sales price of the tangible personal property sold by the vendor, the storage, use or consumption of which is subject to the tax levied by this law, and other information the director of revenue deems necessary. The return shall be accompanied by a remittance of the amount of the tax required to be collected by the vendor during the period covered by the return. Returns shall be signed by the vendor or the vendor's authorized agent. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of vendors, but shall not require any vendor to file and pay more frequently than required in this section.

2. Where the aggregate amount of tax required to be collected by a vendor is in excess of two hundred and fifty dollars for either the first or second month of a calendar quarter, the vendor shall pay such aggregate amount for such months to the director of revenue by the twentieth day of the succeeding month. The amount so paid shall be allowed as a credit against the liability shown on the vendor's quarterly return required by this section.

3. Where the aggregate amount of tax required to be collected by a vendor is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the vendor to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

4. Except as provided in subsection 5 of this section, every person purchasing tangible personal property, the storage, use or consumption of which is subject to the tax levied by sections 144.600 to 144.748, who has not paid the tax due to a vendor registered in accordance with the provisions of section 144.650, shall file with the director of revenue a return for the preceding reporting period in the form and manner that the director of revenue prescribes, showing the total sales price of the tangible property purchased during the preceding reporting period and any other information that the director of revenue deems necessary for the proper administration of sections 144.600 to 144.748. The return shall be accompanied by a remittance of the amount of the tax required by sections 144.600 to 144.748 to be paid by the person. Returns shall be signed by the person liable for the tax or such person's duly authorized agent. For purposes of this subsection, the reporting period shall be determined by the director of revenue and may be a calendar quarter or a calendar year. Annual returns and payments required by the director pursuant to this subsection shall be due on or before April fifteenth of the year for the preceding calendar year and quarterly returns and payments shall be due on or before the

34 last day of the month following each calendar period of three months. Upon the taxpayer's  
35 request, the director may allow the filing of such returns and payments on a monthly basis. If  
36 a taxpayer elects to file a monthly return and payment, such return and payment shall be due on  
37 or before the twentieth day of the succeeding month.

38         5. [Any person purchasing tangible personal property subject to the taxes imposed by  
39 sections 144.600 to 144.748 shall not be required to file a use tax return with the director of  
40 revenue if such purchases on which such taxes were not paid do not exceed in the aggregate two  
41 thousand dollars in any calendar year.

42         6. Nothing in subsection 5 of this section shall relieve a vendor of liability to collect the  
43 tax imposed pursuant to sections 144.600 to 144.748 on the total gross receipts of all sales of  
44 tangible personal property used, stored or consumed in this state and to remit all taxes collected  
45 to the director of revenue in accordance with the provisions of this section nor shall it relieve a  
46 purchaser from paying such taxes to a vendor registered in accordance with the provisions of  
47 section 144.650.] **Any out-of-state seller which is not legally required to register for use tax**  
48 **in this state but chooses to collect and remit use tax under sections 144.600 to 144.761 shall**  
49 **file a return for the calendar year. The return shall be filed and the taxes paid on or before**  
50 **January thirty-first of the succeeding year. In the event that any out-of-state seller which**  
51 **is not legally required to register for use tax in this state but chooses to collect and remit**  
52 **use tax under sections 144.600 to 144.761 has accumulated state and local use tax funds in**  
53 **an amount equal to one thousand dollars or more, such vendor shall file a return and remit**  
54 **the amount due for the month in which the accumulated state and local use tax funds equal**  
55 **or exceed one thousand dollars.**

56         6. The director of revenue may require any seller to file and remit use tax  
57 electronically.

144.1025. 1. The director shall participate in an online registration system that will  
2 allow sellers to register in this state and other member states.

3         2. By registering, the seller agrees to collect and remit sales and use taxes for all  
4 taxable sales into this state as well as the other member states, including member states  
5 joining after the seller's registration. Withdrawal or revocation of this state from the  
6 agreement shall not relieve a seller of its responsibility to remit taxes previously or  
7 subsequently collected on behalf of this state.

8         3. If the seller has a requirement to register prior to registering under the  
9 agreement, such seller shall obtain a retail sales license under section 144.083 and register  
10 under section 144.650.

11         4. Registration with the central registration system and the collection of sales and  
12 use taxes in this state shall not be used as a factor in determining whether the seller has  
13 nexus with this state for any tax at any time.

144.1028. 1. The director shall provide and maintain a database that describes boundary changes for all taxing jurisdictions and the effective dates of such changes for sales and use tax purposes.

2. The director shall provide and maintain a database of all sales and use tax rates for all taxing jurisdictions. For the identification of counties and cities, codes corresponding to the rates shall be provided according to Federal Information Processing Standards (FIPS) as developed by the National Institute of Standards and Technology. For the identification of all other jurisdictions, codes corresponding to the rates shall be in a format determined by the director.

3. The director shall provide and maintain a database that assigns each five- and nine-digit zip code to the proper rates and taxing jurisdictions. The lowest combined tax rate imposed in the zip code area shall apply if the area includes more than one tax rate in any level of taxing jurisdiction. If a nine-digit zip code designation is not available for a street address, or if a seller or a certified service provider (CSP) is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the seller or CSP may apply the rate for the five-digit zip code area. For purposes of this section, there shall be a rebuttable presumption that a seller or CSP has exercised due diligence if the seller has attempted to determine the nine-digit zip code designation by utilizing software approved by the secretary that makes this designation from the street address and the five-digit zip code applicable to a purchase.

4. The director may provide address-based boundary database records for assigning taxing jurisdictions and associated rates which shall be in addition to the requirements of subsection 3 of this section. The database records shall be in the same approved format as the database records required under subsection 3 of this section and shall meet the requirements developed pursuant to the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the director develops address-based assignment database records pursuant to the agreement, sellers that register under the agreement shall be required to use such database. A seller or CSP shall use such database records in place of the five- and nine-digit zip code database records provided for in subsection 3 of this section. If a seller or CSP is unable to determine the applicable rate and jurisdiction using an address-based database record after exercising due diligence, the seller or CSP may apply the nine-digit zip code designation applicable to a purchase. If a nine-digit zip code designation is not available for a street address or if a seller or CSP is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the seller or CSP may apply the rate for the five-digit zip code area. For the purposes of this section, there shall be a rebuttable presumption that a seller or CSP has exercised due diligence if the seller or CSP has attempted to determine the tax rate and jurisdiction by utilizing software approved by the director makes the

39 assignment from the address and zip code information applicable to the purchase. If the  
40 director has met the requirements of subsection 3 of this section, the director may also elect  
41 to certify vendor provided address-based databases for assigning tax rates and  
42 jurisdictions. The databases shall be in the same approved format as the database records  
43 pursuant to this section and meet the requirements developed pursuant to the federal  
44 Mobile Telecommunications Sourcing Act, 4 U.S.C.A. Section 119(a). If the director  
45 certifies a vendor address-based database, a seller or CSP may use such database in place  
46 of the database provided for in this subsection.

47       5. The electronic databases provided for in subsections 1, 2, 3, and 4 of this section  
48 shall be in downloadable format as determined by the director. The databases may be  
49 directly provided by the director or provided by a vendor as designated by the director.  
50 A database provided by a vendor as designated by the director shall be applicable and  
51 subject to the provisions of section 144.1031 and this section. The databases shall be  
52 provided at no cost to the user of the database. The provisions of subsections 3 and 4 of  
53 this section shall not apply when the purchased product is received by the purchaser at the  
54 business location of the seller.

55       6. No seller or CSP shall be liable for reliance upon erroneous data provided by the  
56 director on tax rates, boundaries, or taxing jurisdiction assignments.

144.1031. 1. The director shall complete a taxability matrix. The state's entries in  
2 the matrix shall be provided and maintained by the director in a database that is in a  
3 downloadable format.

4       2. The director shall provide reasonable notice of changes in the taxability of the  
5 products or services listed in the taxability matrix.

6       3. A seller or certified service provider (CSP) shall be relieved from liability to this  
7 state or any local taxing jurisdiction for having charged and collected the incorrect amount  
8 of state or local sales or use tax resulting from such seller's or CSP's reliance upon  
9 erroneous data provided by the director in the taxability matrix.

144.1034. 1. The retail sale of a product shall be sourced in accordance with section  
2 144.1037. The provisions of section 144.1037 shall apply regardless of the characterization  
3 of a product as tangible personal property, a digital good, or a service. The provisions of  
4 section 144.1037 shall only apply to determine a seller's obligation to pay or collect and  
5 remit sales or use tax with respect to the seller's retail sale of a product. The provisions of  
6 this subsection shall not affect the obligation of a purchaser or lessee to remit tax on the  
7 use of the product to the taxing jurisdictions of that use.

8       2. Section 144.1037 shall not apply to sales or use taxes levied on the following:

9       (1) Retail sales or transfers of watercraft, modular homes, manufactured homes,  
10 or mobile homes;



11           (2) Retail sales, excluding lease or rental, of motor vehicles, trailers, semi-trailers,  
12 or aircraft that do not qualify as transportation equipment; and

13           (3) Telecommunications services and ancillary services.

          144.1037. 1. Except as provided in section 144.1034, the retail sale, excluding lease  
2 or rental, of a product shall be sourced as follows:

3           (1) When the product is received by the purchaser at a business location of the  
4 seller, the sale shall be sourced to such business location;

5           (2) When the product is not received by the purchaser at a business location of the  
6 seller, the sale shall be sourced to the location where receipt by the purchaser, or the  
7 purchaser's donee, designated as such by the purchaser, occurs, including the location  
8 indicated by instructions for delivery to the purchaser or donee, known to the seller;

9           (3) When subdivisions (1) and (2) of this subsection do not apply, the sale shall be  
10 sourced to the location indicated by an address for the purchaser that is available from the  
11 business records of the seller maintained in the ordinary course of the seller's business  
12 when use of this address does not constitute bad faith;

13           (4) When subdivisions (1), (2), and (3) of this subsection do not apply, the sale shall  
14 be sourced to the location indicated by an address for the purchaser obtained during the  
15 consummation of the sale, including the address of a purchaser's payment instrument, if  
16 no other address is available, when use of this address does not constitute bad faith;

17           (5) When none of the previous rules of subdivisions (1), (2), (3), or (4) of this  
18 subsection apply, including the circumstance in which the seller is without sufficient  
19 information to apply the previous rules, then the location shall be determined by the  
20 address from which tangible personal property was shipped, from which the digital good  
21 or the computer software delivered electronically was first available for transmission by  
22 the seller, or from which the service was provided (disregarding for these purposes any  
23 location that merely provided the digital transfer of the product sold).

24           2. The lease or rental of tangible personal property, other than property identified  
25 in subsection 3 or subsection 4 of this section, shall be sourced as follows:

26           (1) For a lease or rental that requires recurring periodic payments, the first  
27 periodic payment shall be sourced the same as a retail sale in accordance with the  
28 provisions of subsection 1 of this section. Periodic payments made subsequent to the first  
29 payment shall be sourced to the primary property location for each period covered by the  
30 payment. The primary property location shall be as indicated by an address for the  
31 property provided by the lessee that is available to the lessor from its records maintained  
32 in the ordinary course of business, when use of this address does not constitute bad faith.  
33 The property location shall not be altered by intermittent use at different locations, such  
34 as use of business property that accompanies employees on business trips and service calls;

35           (2) For a lease or rental that does not require recurring periodic payments, the  
36 payment shall be sourced the same as a retail sale in accordance with the provisions of  
37 subsection 1 of this section.

38

39 The provisions of this subsection shall not affect the imposition or computation of sales or  
40 use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition  
41 of property for lease.

42           3. The lease or rental of motor vehicles, trailers, semi-trailers, or aircraft that do  
43 not qualify as transportation equipment, as defined in subsection 4 of this section, shall be  
44 sourced as follows:

45           (1) For a lease or rental that requires recurring periodic payments, each periodic  
46 payment shall be sourced to the primary property location. The primary property location  
47 shall be as indicated by an address for the property provided by the lessee that is available  
48 to the lessor from its records maintained in the ordinary course of business, when use of  
49 this address does not constitute bad faith. This location shall not be altered by intermittent  
50 use at different locations;

51           (2) For a lease or rental that does not require recurring periodic payments, the  
52 payment shall be sourced the same as a retail sale in accordance with the provisions of  
53 subsection 1 of this section.

54

55 The provisions of this subsection shall not affect the imposition or computation of sales or  
56 use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition  
57 of property for lease.

58           4. The retail sale, including lease or rental, of transportation equipment shall be  
59 sourced the same as a retail sale in accordance with the provisions of subsection 1 of this  
60 section, notwithstanding the exclusion of lease or rental in subsection 1 of this section.

61           5. Provisions of subsection 1 of this section to the contrary notwithstanding, retail  
62 sales, excluding lease or rental, of tangible personal property or digital goods shall be  
63 sourced to the location where the order is received by the seller if:

64           (1) The order is received by the seller in the state where the purchaser or the  
65 purchaser's donee, as designated by the purchaser, receives the product;

66           (2) The location where the purchaser receives the product is determined pursuant  
67 to subdivisions (2), (3), or (4) of subsection 1 of this section; and

68           (3) At the time the order is received, the recordkeeping system of the seller used to  
69 calculate the proper amount of sales or use tax to be imposed captures the location where  
70 the order is received.

          144.1040. 1. Notwithstanding provisions of section 144.1037 to the contrary, the  
2 following provisions shall apply to sales of advertising and promotional direct mail:

3           (1) A purchaser of advertising and promotional direct mail may provide the seller  
4 with either:

5           (a) A direct pay permit;

6           (b) An agreement certificate of exemption claiming direct mail, or other written  
7 statement approved, authorized, or accepted by the state; or

8           (c) Information showing the jurisdictions to which the advertising and promotional  
9 direct mail is to be delivered to recipients;

10          (2) If the purchaser provides the permit, certificate, or statement referred to in  
11 paragraph (a) or (b) of subdivision (1) of this subsection, the seller, in the absence of bad  
12 faith, shall be relieved of all obligations to collect, pay, or remit any tax on any transaction  
13 involving advertising and promotional direct mail to which such permit, certificate, or  
14 statement applies. The purchaser shall source the sale to the jurisdictions to which the  
15 advertising and promotional direct mail is to be delivered to the recipients and shall report  
16 and pay any applicable tax due;

17          (3) If the purchaser provides the seller information showing the jurisdictions to  
18 which the advertising and promotional direct mail is to be delivered to recipients, the seller  
19 shall source the sale to the jurisdictions to which the advertising and promotional direct  
20 mail is to be delivered and shall collect and remit the applicable tax. In the absence of bad  
21 faith, a seller shall be relieved of any further obligation to collect any additional tax on the  
22 sale of advertising and promotional direct mail where the seller has sourced the sale  
23 according to the delivery information provided by the purchaser;

24          (4) If a purchaser does not provide the seller with any of the items listed in  
25 paragraphs (a), (b), or (c) of subdivision (1) of this subsection, the sale shall be sourced  
26 according to subdivision (5) of subsection 1 of section 144.1037.

27          2. Provisions of section 144.1037 to the contrary notwithstanding, the following  
28 provisions shall apply to sales of other direct mail:

29          (1) Sales of other direct mail shall be sourced in accordance with subdivision (3) of  
30 subsection 1 of section 144.1037;

31          (2) A purchaser of other direct mail may provide the seller with either:

32           (a) A direct pay permit; or

33           (b) An agreement certificate of exemption claiming direct mail or other written  
34 statement approved, authorized, or accepted by the state;

35          (3) If the purchaser provides the permit, certificate, or statement referred to in  
36 paragraph (a) or (b) of subdivision (2) of subsection 2 of this section, the seller, in the  
37 absence of bad faith, shall be relieved of all obligations to collect, pay, or remit any tax on  
38 any transaction involving other direct mail to which the permit, certificate, or statement  
39 apply. Notwithstanding subdivision (1) of this subsection, the sale shall be sourced to the

40 jurisdictions to which the other direct mail is to be delivered to the recipients and the  
41 purchaser shall report and pay applicable tax due.

42       3. (1) The provisions of this section shall apply to any transaction characterized  
43 under the laws of this state as the sale of services only if such service is an integral part of  
44 the production and distribution of printed material that meets the definition of direct mail.  
45 This section shall not apply to any transaction that includes the development of billing  
46 information or the provision of any data processing service that is more than incidental  
47 regardless of whether advertising and promotional direct mail is included in the same  
48 mailing.

49       (2) If a transaction is a bundled transaction that includes advertising and  
50 promotion direct mail, this section shall apply, only if the primary purpose of the  
51 transaction is the sale of products or services that meet the definition of advertising and  
52 promotional direct mail.

53       (3) Nothing in this section shall be construed to limit any purchaser's:

54       (a) Obligation for sales or use tax to any state to which the direct mail is delivered;

55       (b) Right under local, state, federal, or constitutional law, to a credit for sales or use  
56 taxes legally due and paid to other jurisdictions; or

57       (c) Right to a refund of sales or use taxes overpaid to any jurisdiction.

58       (4) This section shall apply for purposes of uniformly sourcing direct mail  
59 transactions and shall not impose requirements on states regarding the taxation of  
60 products that meet the definition of direct mail or to the application of sales for resale or  
61 other exemptions.

62       4. Notwithstanding subsections 1, 2, and 3 of this section, all direct mail delivered  
63 or distributed from a location within the state and delivered or distributed to a location  
64 within the state shall be sourced as follows:

65       (1) If the purchaser provides the seller with a direct pay permit or an agreement  
66 certificate of exemption claiming direct mail, or other written statement approved,  
67 authorized, or accepted by the director, the seller, in the absence of bad faith, shall be  
68 relieved of all obligations to collect, pay, or remit the applicable tax on any transaction  
69 involving direct mail. The purchaser shall report and pay any applicable tax due. An  
70 agreement certificate of exemption claiming direct mail shall remain in effect for all future  
71 sales of direct mail by the seller to the purchaser until it is revoked in writing;

72       (2) Except as provided in subdivision (1) of subsection 3 of this section, the seller  
73 shall collect the tax according subdivision (5) of subsection 1 of section 144.1037. To the  
74 extent the seller knows that a portion of the sale of direct mail will be delivered or  
75 distributed to a location in another state, the seller shall collect the tax on that portion  
76 according to subsections 1, 2, and 3 of this section;

77           (3) Notwithstanding subdivision (2) of subsection 3 of this section, a seller may elect  
78 to use the provisions of subsections 1, 2, and 3 of this section to source all sales of  
79 advertising and promotional direct mail;

80           (4) Nothing in this subsection shall be construed to limit a purchaser's obligation  
81 for sales or use tax to any state to which the direct mail is delivered, except that a  
82 purchaser whose direct mail is sourced under the provisions of subsection 3 of this section  
83 shall owe no additional sales or use tax to that state based on where the purchaser uses or  
84 delivers the direct mail in the state.

          144.1043. 1. The sale of telecommunication service sold on a call-by-call basis shall  
2 be sourced to each level of taxing jurisdiction where the call originates and terminates in  
3 that jurisdiction or each level of taxing jurisdiction where the call either originates or  
4 terminates and in which the service address is also located.

5           2. A sale of telecommunications services sold on a basis other than a call-by-call  
6 basis shall be sourced to the customer's place of primary use.

7           3. Provisions of subsections 1 and 2 of this section to the contrary notwithstanding,  
8 the sale of the following telecommunication services shall be sourced to each level of taxing  
9 jurisdiction as follows:

10          (1) A sale of mobile telecommunications services other than air-to-ground  
11 radiotelephone service and prepaid calling service shall be sourced to the customer's place  
12 of primary use as required by the Mobile Telecommunications Sourcing Act;

13          (2) A sale of post-paid calling service shall be sourced to the origination point of the  
14 telecommunications signal as first identified by either the seller's telecommunications  
15 system or information received by the seller from its service provider, where the system  
16 used to transport such signals is not that of the seller;

17          (3) A sale of prepaid calling service or a sale of a prepaid wireless calling service  
18 shall be sourced in accordance with section 144.1037. Provided however, in the case of a  
19 sale of prepaid wireless calling service, the rule provided under subdivision (5) of section  
20 1 of section 144.1037 shall include as an option the location associated with the mobile  
21 telephone number;

22          (4) A sale of a private communication service shall be sourced as follows:

23           (a) Service for a separate charge related to a customer channel termination point  
24 shall be sourced to each level of jurisdiction in which such customer channel termination  
25 point is located;

26           (b) Service where all customer termination points are located entirely within one  
27 jurisdiction or levels of jurisdiction shall be sourced in such jurisdiction in which the  
28 customer channel termination points are located;

29           (c) Service for segments of a channel between two customer channel termination  
30 points located in different jurisdictions and which segment of channel are separately

31 charged shall be sourced fifty percent in each level of jurisdiction in which the customer  
32 channel termination points are located;

33 (d) Service for segments of a channel located in more than one jurisdiction or levels  
34 of jurisdiction and which segments are not separately billed shall be sourced in each  
35 jurisdiction based on the percentage determined by dividing the number of customer  
36 channel termination points in such jurisdiction by the total number of customer channel  
37 termination points.

38 4. The sale of Internet access service shall be sourced to the customer's place of  
39 primary use.

40 5. The sale of an ancillary service shall be sourced to the customer's place of  
41 primary use.

144.1046. 1. In addition to all other provisions of law provided for exemptions,  
2 when an exemption is claimed by a purchaser:

3 (1) The seller shall obtain identifying information of the purchaser and the reason  
4 for claiming a tax exemption at the time of the purchase;

5 (2) A purchaser shall not be required to provide a signature to claim an exemption  
6 from tax unless a paper exemption certificate is used;

7 (3) The seller shall use the standard form for claiming an exemption electronically  
8 prescribed by the director of the department of revenue and acceptable to the streamlined  
9 sales and use tax governing board;

10 (4) The seller shall obtain the same information for proof of a claimed exemption  
11 regardless of the medium in which the transaction occurred;

12 (5) The seller shall maintain proper records of exempt transactions and provide  
13 such records to the director of the department of revenue or the director's designee upon  
14 request;

15 (6) In the case of drop shipment sales, a third party vendor, such as a drop shipper,  
16 may claim a resale exemption based on an exemption certificate provided by its customer  
17 or any other acceptable information available to the third party vendor evidencing  
18 qualification for a resale exemption, regardless of whether the customer is registered to  
19 collect and remit sales and use tax in the state where the sale is sourced.

20 2. Sellers that comply with the requirements of this section shall be relieved from  
21 collecting and remitting tax otherwise applicable if it is determined that the purchaser  
22 improperly claimed an exemption and such purchaser shall be liable for the nonpayment  
23 of tax. Relief from liability provided under this section shall not apply to a seller who  
24 fraudulently fails to collect tax; to a seller who solicits purchasers to participate in the  
25 unlawful claim of an exemption; to a seller who accepts an exemption certificate when the  
26 purchaser claims an entity-based exemption when the subject of the transaction sought to  
27 be covered by the exemption certificate is actually received by the purchaser at a location

28 operated by the seller and the state in which that location resides provides an exemption  
29 certificate that clearly and affirmatively indicates that the claimed exemption is not  
30 available in such state; or to a seller who accepts an exemption certificate claiming multiple  
31 points of use for tangible personal property other than computer software for which an  
32 exemption claiming multiple points of use.

33 (1) A seller shall be relieved from collecting and remitting tax otherwise applicable  
34 if the seller obtains a fully completed exemption certificate or captures the relevant data  
35 elements required under the agreement within ninety days subsequent to the date of sale.

36 (2) If a seller fails to obtain an exemption certificate or all relevant data elements  
37 as provided in this section, the seller may, within one hundred twenty days subsequent to  
38 a request for substantiation by the director of the department of revenue or the director's  
39 designee, either prove that the transaction was not subject to tax by other means or obtain  
40 a fully completed exemption certificate from the purchaser, taken in good faith.

41 3. Nothing in this section shall affect the ability of the director of the department  
42 of revenue or the director's designee to require purchasers to update exemption certificate  
43 information or to reapply with the state to claim certain exemptions.

44 4. Notwithstanding provisions of subsection 2 of this section to the contrary, the  
45 director shall relieve a seller of the tax otherwise applicable if the seller obtains a blanket  
46 exemption certificate for a purchaser with which the seller has a recurring business  
47 relationship. The director shall not request from the seller renewal of blanket certificates  
48 or updates of exemption certificate information or data elements when there is a recurring  
49 business relationship between the buyer and seller. For purposes of this section, a  
50 recurring business relationship exists when a period of no more than twelve months elapses  
51 between sales transactions.

144.1049. 1. Retailers shall make returns to the director at the times prescribed by  
2 this section upon forms prescribed and furnished by the director stating:

3 (1) The name and address of the retailer;

4 (2) The total amount of gross sales of all tangible personal property and taxable  
5 services rendered by the retailer during the period for which the return is made;

6 (3) The total amount received during the period for which the return is made on  
7 charge and time sales of tangible personal property made and taxable services rendered  
8 prior to the period for which the return is made;

9 (4) Deductions allowed by law from such total amount of gross sales and from total  
10 amount received during the period for which the return is made on such charge and time  
11 sales;

12 (5) Receipts during the period for which the return is made from the total amount  
13 of sales of tangible personal property and taxable services rendered during such period in  
14 the course of such business, after deductions allowed by law have been made;

15           **(6) Receipts during the period for which the return is made from charge and time**  
16 **sales of tangible personal property made and taxable services rendered prior to such**  
17 **period in the course of such business, after deductions allowed by law have been made;**

18           **(7) Gross receipts during the period for which the return is made from sales of**  
19 **tangible personal property and taxable services rendered in the course of such business**  
20 **upon the basis of which the tax is imposed.**

21

22 **The return shall include such other pertinent information as the director may require. In**  
23 **making such return, the retailer shall determine the market value of any consideration,**  
24 **other than money, received in connection with the sale of any tangible personal property**  
25 **in the course of the business and shall include such value in the return. Such value shall**  
26 **be subject to review and revision by the director as hereinafter provided. Refunds made**  
27 **by a retailer during the period for which the return is made on account of tangible**  
28 **personal property returned to the retailer shall be allowed as a deduction under**  
29 **subdivision (4) of this subsection in case the retailer has included the receipts from such**  
30 **sale in a return made by such retailer and paid taxes on such sale. The retailer shall, at the**  
31 **time of making such return, pay to the director the amount of tax owed, except as**  
32 **otherwise provided in this section. The director may extend the time for making returns**  
33 **and paying the tax required by this section for any period not to exceed sixty days under**  
34 **such rules and regulations as the director of revenue may prescribe. The director of the**  
35 **department of revenue shall promulgate rules establishing a filing schedule for returns**  
36 **made by retailers based upon the liabilities of such retailers. Determinations of amounts**  
37 **of liability in a calendar year for purposes of determining filing requirements shall be**  
38 **made by the director upon the basis of amounts of liability by those retailers during the**  
39 **preceding calendar year or by estimates in cases of retailers having no previous sales tax**  
40 **histories. The director may modify the filing schedule for any retailer when it is apparent**  
41 **that the original determination was inaccurate.**

42           **2. All model 1, model 2, and model 3 sellers shall file returns electronically. Any**  
43 **model 1, model 2, or model 3 seller shall submit its sales and use tax returns in a simplified**  
44 **format approved by the director at such times as may be prescribed by the director.**

**144.1052. 1. The director shall promulgate rules and regulations for remittance of**  
2 **returns. Such rules shall:**

3           **(1) Allow for electronic payments by all remitters by both ACH credit and ACH**  
4 **debit;**

5           **(2) Provide an alternative method for making "same day" payments if an electronic**  
6 **funds transfer fails;**

7           **(3) Provide that if a due date falls on a legal banking holiday in the state, the taxes**  
8 **shall be due on the next succeeding business day; and**



9           (4) Require that any data that accompanies a remittance be formatted using  
10 uniform tax type and payment type codes approved by the streamlines sales and use tax  
11 governing board.

12           2. Any rule or portion of a rule, as that term is defined in section 536.010 that is  
13 created under the authority delegated in this section shall become effective only if it  
14 complies with and is subject to all of the provisions of chapter 536, and, if applicable,  
15 section 536.028. This section and chapter 536 are nonseverable and if any of the powers  
16 vested with the general assembly pursuant to chapter 536, to review, to delay the effective  
17 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the  
18 grant of rulemaking authority and any rule proposed or adopted after January 1, 2012,  
19 shall be invalid and void.

          144.1055. 1. A seller shall be allowed a deduction from taxable sales for bad debts  
2 attributable to taxable sales of such seller that have become uncollectable. Any deduction  
3 taken that is attributed to bad debts shall not include interest.

4           2. The amount of the bad debt deduction shall be calculated pursuant to 26 U.S.C.  
5 Section 166(b), except that such amount shall be adjusted to exclude financing charges or  
6 interest, sales, or use taxes charged on the purchase price, uncollectable amounts on  
7 property that remain in the possession of the seller until the full purchase price is paid, and  
8 expenses incurred in attempting to collect any debt or repossessed property.

9           3. Bad debts may be deducted on the return for the period during which the bad  
10 debt is written off as uncollectable in the seller's books and records and is eligible to be  
11 deducted for federal income tax purposes. For purposes of this subsection, a seller who is  
12 not required to file federal income tax returns may deduct a bad debt on a return filed for  
13 the period in which the bad debt is written off as uncollectable in the seller's books and  
14 records and would be eligible for a bad debt deduction for federal income tax purposes if  
15 the seller was required to file a federal income tax return.

16           4. If a deduction is taken for a bad debt and the debt is subsequently collected in  
17 whole or in part, the tax on the amount so collected shall be paid and reported on the  
18 return filed for the period in which the collection is made.

19           5. When the amount of bad debt exceeds the amount of taxable sales for the period  
20 during which the bad debt is written off, a refund claim may be filed by the seller within  
21 the applicable statute of limitations for refund claim; however, the statute of limitations  
22 shall be measured from the due date of the return on which the bad debt could first be  
23 claimed.

24           6. Where filing responsibilities have been assumed by a certified service provider,  
25 such service provider may claim, on behalf of the seller, any bad debt allowance provided  
26 by this section. The certified service provider shall credit or refund the full amount of any  
27 bad debt allowance or refund received to the seller.

28           **7. For the purposes of reporting a payment received on a previously claimed bad**  
29 **debt, any payments made on a debt or account shall first be applied proportionally to the**  
30 **taxable price of the property or service and the sales tax thereon, and secondly to interest,**  
31 **service charges, and any other charges.**

32           **8. In situations where the books and records of the seller, or certified service**  
33 **provider on behalf of the seller, claiming the bad debt allowance support an allocation of**  
34 **the bad debts among the member states, such an allocation shall be permitted.**

**144.1058. 1. When the seller is computing the amount of tax owed by the purchaser**  
2 **and remitted to the state:**

3           **(1) Tax computation shall be carried to the third decimal place; and**

4           **(2) The tax shall be rounded to a whole cent using a method that rounds up to the**  
5 **next cent whenever the third decimal place is greater than four.**

6           **2. Sellers may elect to compute the tax due on a transaction on an item or an invoice**  
7 **basis. The rounding rule may be applied to the aggregated state and local taxes.**

**144.1061. The effective date of state or local sales or use tax rate changes for**  
2 **services covering a period starting before and ending after the statutory effective date shall**  
3 **be as follows:**

4           **(1) For a rate increase, the new rate shall apply to the first billing period starting**  
5 **on or after the effective date; and**

6           **(2) For a rate decrease, the new rate shall apply to bills rendered on or after the**  
7 **effective date.**

**144.1064. 1. In the case of a bundled transaction that includes any of the following:**  
2 **telecommunication service, ancillary service, internet access, or audio or video**  
3 **programming service:**

4           **(1) If the price is attributable to products that are taxable and products that are**  
5 **nontaxable, the portion of the price attributable to the nontaxable products may be subject**  
6 **to tax unless the provider can identify by reasonable and verifiable standards such portion**  
7 **from its books and records that are kept in the regular course of business for other**  
8 **purposes, including, but not limited to, nontax purposes;**

9           **(2) If the price is attributable to products that are subject to tax at different tax**  
10 **rates, the total price shall be treated as attributable to the products subject to tax at the**  
11 **highest tax rate unless the provider can identify by reasonable and verifiable standards the**  
12 **portion of the price attributable to the products subject to tax at the lower rate from its**  
13 **books and records that are kept in the regular course of business for other purposes,**  
14 **including, but not limited to, nontax purposes;**

15           **(3) The provisions of this section shall apply unless otherwise provided by federal**  
16 **law.**

17           **2. In the case of a transaction that includes an optional computer software**  
18 **maintenance contract for prewritten computer software and the state otherwise has not**  
19 **specifically imposed tax on the retail sale of computer software maintenance contracts, the**  
20 **following provisions apply:**

21           **(1) If an optional computer software maintenance contract only obligates the**  
22 **vendor to provide upgrades and updates, it shall be characterized as a sale of prewritten**  
23 **computer software;**

24           **(2) If an optional computer software maintenance contract only obligates the**  
25 **vendor to provide support services, it shall be characterized as a sale of services and not**  
26 **a sale of tangible personal property;**

27           **(3) If an optional computer software maintenance contract is a bundled transaction**  
28 **in which both taxable and nontaxable or exempt products that are not separately itemized**  
29 **on the invoice or similar billing document, the contract shall be characterized as all**  
30 **taxable.**

**144.1070. 1. Amnesty shall be granted for uncollected or unpaid sales or use tax**  
2 **to a seller who registers to pay or to collect and remit applicable sales or use tax on sales**  
3 **made to purchasers in this state in accordance with the terms of the agreement, provided**  
4 **that the seller was not so registered in this state in the twelve-month period preceding the**  
5 **effective date of this state's participation in the agreement.**

6           **(1) Amnesty shall preclude assessment for uncollected or unpaid sales or use tax**  
7 **together with penalty or interest for sales made during the period the seller was not**  
8 **registered in this state, provided registration occurs within twelve months of the effective**  
9 **date of this state's participation in the agreement.**

10           **(2) Amnesty shall be provided if this state joins the agreement after the seller has**  
11 **registered.**

12           **2. Amnesty shall not be available to a seller with respect to any matter or matters**  
13 **for which the seller received notice of the commencement of an audit and which audit is**  
14 **not yet finally resolved including any related administrative and judicial processes. The**  
15 **amnesty shall not available for sales or use taxes already paid or remitted to this state or**  
16 **to taxes collected by the seller.**

17           **3. Amnesty provided under this section shall be fully effective, absent the seller's**  
18 **fraud or intentional misrepresentation of a material fact, as long as the seller continues**  
19 **registration and payment or collection and remittance of applicable sales or use taxes for**  
20 **a period of at least thirty-six months. The statute of limitations applicable to asserting a**  
21 **tax liability during this thirty-six month period shall be tolled.**

22           **4. Amnesty provided under this section shall be applicable only to sales or use taxes**  
23 **due from a seller in its capacity as a seller and not to sales or use taxes due from a seller in**  
24 **its capacity as a purchaser.**

25           **5. The provisions of this section shall become effective as of the date that the state**  
26 **joins and becomes a member state of the agreement.**

**144.1073. 1. If the director of the department of revenue enters into the**  
2 **streamlined sales and use tax agreement under section 32.070, the director shall provide**  
3 **a monetary allowance from the taxes collected to each of the following:**

4           **(1) A certified service provider, in accordance with the agreement and under the**  
5 **terms of the contract signed with the provider, provided that such allowance shall not**  
6 **exceed two percent of the amount collected;**

7           **(2) Any vendor registered under the agreement that selects a certified automated**  
8 **system to perform part of its sales or use tax functions;**

9           **(3) Any vendor registered under the agreement that uses a proprietary system to**  
10 **calculate taxes due and has entered into a performance agreement with states that are**  
11 **members to the streamlined sales and use tax agreement.**

12           **2. The monetary allowance provided for vendors in subdivisions (2) or (3) of this**  
13 **section shall be in an amount equal to two percent of the taxes collected.**

14           **3. Any vendor receiving an allowance under this section shall not be entitled**  
15 **simultaneously to deduct the amount provided for in section 144.140.**

**144.1076. For the purposes of representing the state as a member of the agreement**  
2 **and, if necessary, amending the agreement, the state shall be represented by three**  
3 **delegates, one of whom shall be appointed by the governor, one shall be a member of the**  
4 **general assembly appointed by mutual agreement of the president pro tem of the senate**  
5 **and the speaker of the house of representatives, with the director of the department of**  
6 **revenue or the director's designee as the third delegate. The delegates shall recommend**  
7 **to the committees responsible for reviewing tax issues in the senate and the house of**  
8 **representatives each year any amendment of state statutes required to be substantially in**  
9 **compliance with the agreement. Such delegates shall make a written report by the fifteenth**  
10 **day of January each year regarding the status of the agreement.**

**221.407. 1. The commission of any regional jail district may impose, by order, a sales**  
2 **tax in the amount of one-eighth of one percent, one-fourth of one percent, three-eighths of one**  
3 **percent, or one-half of one percent on all retail sales made in such region which are subject to**  
4 **taxation pursuant to the provisions of sections 144.010 to 144.525, RSMo, for the purpose of**  
5 **providing jail services and court facilities and equipment for such region. The tax authorized by**  
6 **this section shall be in addition to any and all other sales taxes allowed by law, except that no**  
7 **order imposing a sales tax pursuant to this section shall be effective unless the commission**  
8 **submits to the voters of the district, on any election date authorized in chapter 115, RSMo, a**  
9 **proposal to authorize the commission to impose a tax.**

10           **2. The ballot of submission shall contain, but need not be limited to, the following**  
11 **language:**

12           Shall the regional jail district of ..... (counties' names) impose a region-wide  
13 sales tax of ..... (insert amount) for the purpose of providing jail services and court  
14 facilities and equipment for the region?

15                           ☐ YES   ☐ NO

16 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed  
17 to the question, place an "X" in the box opposite "No". If a majority of the votes cast on the  
18 proposal by the qualified voters of the district voting thereon are in favor of the proposal, then  
19 the order and any amendment to such order shall be in effect on the first day of the second  
20 **calendar** quarter [immediately following the election approving the proposal] **after the director**  
21 **of revenue receives notification of adoption of the local sales tax.** If the proposal receives less  
22 than the required majority, the commission shall have no power to impose the sales tax  
23 authorized pursuant to this section unless and until the commission shall again have submitted  
24 another proposal to authorize the commission to impose the sales tax authorized by this section  
25 and such proposal is approved by the required majority of the qualified voters of the district  
26 voting on such proposal; however, in no event shall a proposal pursuant to this section be  
27 submitted to the voters sooner than twelve months from the date of the last submission of a  
28 proposal pursuant to this section.

29           3. All revenue received by a district from the tax authorized pursuant to this section shall  
30 be deposited in a special trust fund and shall be used solely for providing jail services and court  
31 facilities and equipment for such district for so long as the tax shall remain in effect.

32           4. Once the tax authorized by this section is abolished or terminated by any means, all  
33 funds remaining in the special trust fund shall be used solely for providing jail services and court  
34 facilities and equipment for the district. Any funds in such special trust fund which are not  
35 needed for current expenditures may be invested by the commission in accordance with  
36 applicable laws relating to the investment of other county funds.

37           5. All sales taxes collected by the director of revenue pursuant to this section on behalf  
38 of any district, less one percent for cost of collection which shall be deposited in the state's  
39 general revenue fund after payment of premiums for surety bonds as provided in section 32.087,  
40 RSMo, shall be deposited in a special trust fund, which is hereby created, to be known as the  
41 "Regional Jail District Sales Tax Trust Fund". The moneys in the regional jail district sales tax  
42 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of  
43 the state. The director of revenue shall keep accurate records of the amount of money in the trust  
44 fund which was collected in each district imposing a sales tax pursuant to this section, and the  
45 records shall be open to the inspection of officers of each member county and the public. Not  
46 later than the tenth day of each month the director of revenue shall distribute all moneys  
47 deposited in the trust fund during the preceding month to the district which levied the tax. Such  
48 funds shall be deposited with the treasurer of each such district, and all expenditures of funds  
49 arising from the regional jail district sales tax trust fund shall be paid pursuant to an

50 appropriation adopted by the commission and shall be approved by the commission.  
51 Expenditures may be made from the fund for any function authorized in the order adopted by the  
52 commission submitting the regional jail district tax to the voters.

53         6. The director of revenue may authorize the state treasurer to make refunds from the  
54 amounts in the trust fund and credited to any district for erroneous payments and overpayments  
55 made, and may redeem dishonored checks and drafts deposited to the credit of such districts.  
56 If any district abolishes the tax, the commission shall notify the director of revenue of the action  
57 at least ninety days prior to the effective date of the repeal, and the director of revenue may order  
58 retention in the trust fund, for a period of one year, of two percent of the amount collected after  
59 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem  
60 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed  
61 after the effective date of abolition of the tax in such district, the director of revenue shall remit  
62 the balance in the account to the district and close the account of that district. The director of  
63 revenue shall notify each district in each instance of any amount refunded or any check redeemed  
64 from receipts due the district.

65         7. Except as provided in this section, all provisions of sections 32.085 and 32.087,  
66 RSMo, shall apply to the tax imposed pursuant to this section.

67         8. The provisions of this section shall expire September 30, 2015.

238.235. 1. (1) Any transportation development district may by resolution impose a  
2 transportation development district sales tax on all retail sales made in such transportation  
3 development district which are subject to taxation pursuant to the provisions of sections 144.010  
4 to 144.525, RSMo, except such transportation development district sales tax shall not apply to  
5 the sale or use of motor vehicles, trailers, boats or outboard motors [nor to all sales of electricity  
6 or electrical current, water and gas, natural or artificial, nor to sales of service to telephone  
7 subscribers, either local or long distance]. Such transportation development district sales tax  
8 may be imposed for any transportation development purpose designated by the transportation  
9 development district in its ballot of submission to its qualified voters, except that no resolution  
10 enacted pursuant to the authority granted by this section shall be effective unless:

11         (a) The board of directors of the transportation development district submits to the  
12 qualified voters of the transportation development district a proposal to authorize the board of  
13 directors of the transportation development district to impose or increase the levy of an existing  
14 tax pursuant to the provisions of this section; or

15         (b) The voters approved the question certified by the petition filed pursuant to subsection  
16 5 of section 238.207.

17         (2) If the transportation district submits to the qualified voters of the transportation  
18 development district a proposal to authorize the board of directors of the transportation  
19 development district to impose or increase the levy of an existing tax pursuant to the provisions

20 of paragraph (a) of subdivision (1) of this subsection, the ballot of submission shall contain, but  
21 need not be limited to, the following language:

22        Shall the transportation development district of ..... (transportation development  
23 district's name) impose a transportation development district-wide sales tax at the rate of .....  
24 (insert amount) for a period of ..... (insert number) years from the date on which such tax is  
25 first imposed for the purpose of ..... (insert transportation development purpose)?

26                                ☐ YES                                ☐ NO

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

29

30 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
31 of the proposal, then the resolution and any amendments thereto shall be in effect. If a majority  
32 of the votes cast by the qualified voters voting are opposed to the proposal, then the board of  
33 directors of the transportation development district shall have no power to impose the sales tax  
34 authorized by this section unless and until the board of directors of the transportation  
35 development district shall again have submitted another proposal to authorize it to impose the  
36 sales tax pursuant to the provisions of this section and such proposal is approved by a majority  
37 of the qualified voters voting thereon.

38        (3) [The sales tax authorized by this section shall become effective on the first day of the  
39 second calendar quarter after the department of revenue receives notification of the tax.

40        (4) In each transportation development district in which a sales tax has been imposed in  
41 the manner provided by this section, every retailer shall add the tax imposed by the transportation  
42 development district pursuant to this section to the retailer's sale price, and when so added such  
43 tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid,  
44 and shall be recoverable at law in the same manner as the purchase price.

45        (5) In order to permit sellers required to collect and report the sales tax authorized by this  
46 section to collect the amount required to be reported and remitted, but not to change the  
47 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid  
48 fractions of pennies, the transportation development district may establish appropriate brackets  
49 which shall be used in the district imposing a tax pursuant to this section in lieu of those brackets  
50 provided in section 144.285, RSMo.

51        (6) All revenue received by a transportation development district from the tax  
52 authorized by this section which has been designated for a certain transportation development  
53 purpose shall be deposited in a special trust fund and shall be used solely for such designated  
54 purpose. Upon the expiration of the period of years approved by the qualified voters pursuant  
55 to subdivision (2) of this subsection or if the tax authorized by this section is repealed pursuant  
56 to subsection 6 of this section, all funds remaining in the special trust fund shall continue to be  
57 used solely for such designated transportation development purpose. Any funds in such special

58 trust fund which are not needed for current expenditures may be invested by the board of  
59 directors in accordance with applicable laws relating to the investment of other transportation  
60 development district funds.

61       ~~[(7)]~~ (4) The sales tax may be imposed in increments of one-eighth of one percent, up  
62 to a maximum of one percent on the receipts from the sale at retail of all tangible personal  
63 property or taxable services at retail within the transportation development district adopting such  
64 tax, if such property and services are subject to taxation by the state of Missouri pursuant to the  
65 provisions of sections 144.010 to 144.525, RSMo, except such transportation development  
66 district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard  
67 motors [nor to public utilities]. Any transportation development district sales tax imposed  
68 pursuant to this section shall be imposed at a rate that shall be uniform throughout the district.

69       2. The resolution imposing the sales tax pursuant to this section shall impose upon all  
70 sellers a tax for the privilege of engaging in the business of selling tangible personal property or  
71 rendering taxable services at retail to the extent and in the manner provided in sections 144.010  
72 to 144.525, RSMo, and the rules and regulations of the director of revenue issued pursuant  
73 thereto; except that the rate of the tax shall be the rate imposed by the resolution as the sales tax  
74 and the tax shall be reported and returned to and collected by the transportation development  
75 district.

76       3. [On and after the effective date of any tax imposed pursuant to this section, the  
77 director of revenue shall perform all functions incident to the administration, collection,  
78 enforcement, and operation of the tax, and the director of revenue shall collect, in addition to all  
79 other sales taxes imposed by law, the additional tax authorized pursuant to this section. The tax  
80 imposed pursuant to this section and the taxes imposed pursuant to all other laws of the state of  
81 Missouri shall be collected together and reported upon such forms and pursuant to such  
82 administrative rules and regulations as may be prescribed by the director of revenue.

83       4. (1) All applicable provisions contained in sections 144.010 to 144.525, RSMo,  
84 governing the state sales tax, sections 32.085 and 32.087, RSMo, and section 32.057, RSMo, the  
85 uniform confidentiality provision, shall apply to the collection of the tax imposed by this section,  
86 except as modified in this section.

87       (2) All exemptions granted to agencies of government, organizations, persons and to the  
88 sale of certain articles and items of tangible personal property and taxable services pursuant to  
89 the provisions of sections 144.010 to 144.525, RSMo, are hereby made applicable to the  
90 imposition and collection of the tax imposed by this section.

91       (3) The same sales tax permit, exemption certificate and retail certificate required by  
92 sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales tax  
93 shall satisfy the requirements of this section, and no additional permit or exemption certificate  
94 or retail certificate shall be required; except that the transportation development district may  
95 prescribe a form of exemption certificate for an exemption from the tax imposed by this section.



96           (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws  
97 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made  
98 applicable to any taxes collected pursuant to the provisions of this section.

99           (5) The penalties provided in section 32.057, RSMo, and sections 144.010 to 144.525,  
100 RSMo, for violation of those sections are hereby made applicable to violations of this section.

101           (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all  
102 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place  
103 of business of the retailer unless the tangible personal property sold is delivered by the retailer  
104 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an  
105 out-of-state destination. In the event a retailer has more than one place of business in this state  
106 which participates in the sale, the sale shall be deemed to be consummated at the place of  
107 business of the retailer where the initial order for the tangible personal property is taken, even  
108 though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or  
109 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of  
110 business from which the employee works.

111           5.] All sales taxes received by the transportation development district shall be deposited  
112 by the director of revenue in a special fund to be expended for the purposes authorized in this  
113 section. The director of revenue shall keep accurate records of the amount of money which was  
114 collected pursuant to this section, and the records shall be open to the inspection of officers of  
115 each transportation development district and the general public.

116           [6.] 4. (1) No transportation development district imposing a sales tax pursuant to this  
117 section may repeal or amend such sales tax unless such repeal or amendment will not impair the  
118 district's ability to repay any liabilities which it has incurred, money which it has borrowed or  
119 revenue bonds, notes or other obligations which it has issued or which have been issued by the  
120 commission or any local transportation authority to finance any project or projects.

121           (2) Whenever the board of directors of any transportation development district in which  
122 a transportation development sales tax has been imposed in the manner provided by this section  
123 receives a petition, signed by ten percent of the qualified voters calling for an election to repeal  
124 such transportation development sales tax, the board of directors shall, if such repeal will not  
125 impair the district's ability to repay any liabilities which it has incurred, money which it has  
126 borrowed or revenue bonds, notes or other obligations which it has issued or which have been  
127 issued by the commission or any local transportation authority to finance any project or projects,  
128 submit to the qualified voters of such transportation development district a proposal to repeal the  
129 transportation development sales tax imposed pursuant to the provisions of this section. If a  
130 majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of  
131 the proposal to repeal the transportation development sales tax, then the resolution imposing the  
132 transportation development sales tax, along with any amendments thereto, is repealed. If a  
133 majority of the votes cast by the qualified voters voting thereon are opposed to the proposal to

repeal the transportation development sales tax, then the ordinance or resolution imposing the transportation development sales tax, along with any amendments thereto, shall remain in effect.

**5. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.**

**6. Except as provided in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed under this section.**

238.410. 1. Any county transit authority established pursuant to section 238.400 may impose a sales tax of up to one percent on all retail sales made in such county which are subject to taxation under the provisions of sections 144.010 to 144.525, RSMo. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no sales tax imposed under the provisions of this section shall be effective unless the governing body of the county, on behalf of the transit authority, submits to the voters of the county, at a county or state general, primary or special election, a proposal to authorize the transit authority to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the . . . . . Transit Authority impose a countywide sales tax of . . . . . (insert amount) in order to provide revenues for the operation of transportation facilities operated by the transit authority?

☐ YES

☐ NO

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

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall become effective on the first day of the second calendar quarter following notification to the department of revenue of adoption of the tax. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the transit authority shall have no power to impose the sales tax authorized by this section unless and until another proposal to authorize the transit authority to impose the sales tax authorized by this section has been submitted and such proposal is approved by a majority of the qualified voters voting thereon.

3. All revenue received by the transit authority from the tax authorized under the provisions of this section shall be deposited in a special trust fund and shall be used solely by the

28 transit authority for construction, purchase, lease, maintenance and operation of transportation  
29 facilities located within the county for so long as the tax shall remain in effect. Any funds in  
30 such special trust fund which are not needed for current expenditures may be invested by the  
31 transit authority in accordance with applicable laws relating to the investment of county funds.

32 4. No transit authority imposing a sales tax pursuant to this section may repeal or amend  
33 such sales tax unless such repeal or amendment is submitted to and approved by the voters of  
34 the county in the same manner as provided in subsection 1 of this section for approval of such  
35 tax. Whenever the governing body of any county in which a sales tax has been imposed in the  
36 manner provided by this section receives a petition, signed by ten percent of the registered voters  
37 of such county voting in the last gubernatorial election, calling for an election to repeal such sales  
38 tax, the governing body shall submit to the voters of such county a proposal to repeal the sales  
39 tax imposed under the provisions of this section. If a majority of the votes cast on the proposal  
40 by the registered voters voting thereon are in favor of the proposal to repeal the sales tax, then  
41 such sales tax is repealed. If a majority of the votes cast by the registered voters voting thereon  
42 are opposed to the proposal to repeal the sales tax, then such sales tax shall remain in effect.

43 5. The sales tax imposed under the provisions of this section shall impose upon all sellers  
44 a tax for the privilege of engaging in the business of selling tangible personal property or  
45 rendering taxable services at retail to the extent and in the manner provided in sections 144.010  
46 to 144.525, RSMo, and the rules and regulations of the director of revenue issued pursuant  
47 thereto; except that the rate of the tax shall be the rate approved pursuant to this section. The  
48 amount reported and returned to the director of revenue by the seller shall be computed on the  
49 basis of the combined rate of the tax imposed by sections 144.010 to 144.525, RSMo, and the  
50 tax imposed by this section, plus any amounts imposed under other provisions of law.

51 6. After the effective date of any tax imposed under the provisions of this section, the  
52 director of revenue shall perform all functions incident to the administration, collection,  
53 enforcement, and operation of the tax, and the director of revenue shall collect in addition to the  
54 sales tax for the state of Missouri the additional tax authorized under the authority of this section.  
55 The tax imposed under this section and the tax imposed under the sales tax law of the state of  
56 Missouri shall be collected together and reported upon such forms and under such administrative  
57 rules and regulations as may be prescribed by the director of revenue. In order to permit sellers  
58 required to collect and report the sales tax to collect the amount required to be reported and  
59 remitted, but not to change the requirements of reporting or remitting tax or to serve as a levy  
60 of the tax, and in order to avoid fractions of pennies, the applicable provisions of section  
61 144.285, RSMo, shall apply to all taxable transactions.

62 7. All applicable provisions contained in sections 144.010 to 144.525, RSMo, governing  
63 the state sales tax and section 32.057, RSMo, the uniform confidentiality provision, shall apply  
64 to the collection of the tax imposed by this section, except as modified in this section. All  
65 exemptions granted to agencies of government, organizations, persons and to the sale of certain

66 articles and items of tangible personal property and taxable services under the provisions of  
67 sections 144.010 to 144.525, RSMo, are hereby made applicable to the imposition and collection  
68 of the tax imposed by this section. The same sales tax permit, exemption certificate and retail  
69 certificate required by sections 144.010 to 144.525, RSMo, for the administration and collection  
70 of the state sales tax shall satisfy the requirements of this section, and no additional permit or  
71 exemption certificate or retail certificate shall be required; except that the director of revenue  
72 may prescribe a form of exemption certificate for an exemption from the tax imposed by this  
73 section. All discounts allowed the retailer under the provisions of the state sales tax law for the  
74 collection of and for payment of taxes under chapter 144, RSMo, are hereby allowed and made  
75 applicable to any taxes collected under the provisions of this section. The penalties provided in  
76 section 32.057, RSMo, and sections 144.010 to 144.525, RSMo, for a violation of those sections  
77 are hereby made applicable to violations of this section.

78       8. [For the purposes of a sales tax imposed pursuant to this section, all retail sales shall  
79 be deemed to be consummated at the place of business of the retailer, except for tangible  
80 personal property sold which is delivered by the retailer or his agent to an out-of-state destination  
81 or to a common carrier for delivery to an out-of-state destination and except for the sale of motor  
82 vehicles, trailers, boats and outboard motors, which is provided for in subsection 12 of this  
83 section. In the event a retailer has more than one place of business in this state which  
84 participates in the sale, the sale shall be deemed to be consummated at the place of business of  
85 the retailer where the initial order for the tangible personal property is taken, even though the  
86 order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A  
87 sale by a retailer's employee shall be deemed to be consummated at the place of business from  
88 which he works.

89       9.] All sales taxes collected by the director of revenue under this section on behalf of any  
90 transit authority, less one percent for cost of collection which shall be deposited in the state's  
91 general revenue fund after payment of premiums for surety bonds as provided in this section,  
92 shall be deposited in the state treasury in a special trust fund, which is hereby created, to be  
93 known as the "County Transit Authority Sales Tax Trust Fund". The moneys in the county  
94 transit authority sales tax trust fund shall not be deemed to be state funds and shall not be  
95 commingled with any funds of the state. The director of revenue shall keep accurate records of  
96 the amount of money in the trust fund which was collected in each transit authority imposing a  
97 sales tax under this section, and the records shall be open to the inspection of officers of the  
98 county and the public. Not later than the tenth day of each month the director of revenue shall  
99 distribute all moneys deposited in the trust fund during the preceding month to the transit  
100 authority which levied the tax.

101       [10.] 9. The director of revenue may authorize the state treasurer to make refunds from  
102 the amounts in the trust fund and credited to any transit authority for erroneous payments and  
103 overpayments made, and may authorize the state treasurer to redeem dishonored checks and

104 drafts deposited to the credit of such transit authorities. If any transit authority abolishes the tax,  
105 the transit authority shall notify the director of revenue of the action at least ninety days prior to  
106 the effective date of the repeal and the director of revenue may order retention in the trust fund,  
107 for a period of one year, of two percent of the amount collected after receipt of such notice to  
108 cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts  
109 deposited to the credit of such accounts. After one year has elapsed after the effective date of  
110 abolition of the tax in such transit authority, the director of revenue shall authorize the state  
111 treasurer to remit the balance in the account to the transit authority and close the account of that  
112 transit authority. The director of revenue shall notify each transit authority of each instance of  
113 any amount refunded or any check redeemed from receipts due the transit authority. The director  
114 of revenue shall annually report on his management of the trust fund and administration of the  
115 sales taxes authorized by this section. He shall provide each transit authority imposing the tax  
116 authorized by this section with a detailed accounting of the source of all funds received by him  
117 for the transit authority.

118 [11.] **10.** The director of revenue and any of his deputies, assistants and employees who  
119 shall have any duties or responsibilities in connection with the collection, deposit, transfer,  
120 transmittal, disbursement, safekeeping, accounting, or recording of funds which come into the  
121 hands of the director of revenue under the provisions of this section shall enter a surety bond or  
122 bonds payable to any and all transit authorities in whose behalf such funds have been collected  
123 under this section in the amount of one hundred thousand dollars; but the director of revenue  
124 may enter into a blanket bond or bonds covering himself and all such deputies, assistants and  
125 employees. The cost of the premium or premiums for the surety bond or bonds shall be paid by  
126 the director of revenue from the share of the collection retained by the director of revenue for the  
127 benefit of the state.

128 [12.] **11.** Sales taxes imposed pursuant to this section and use taxes on the purchase and  
129 sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted  
130 by the seller, but shall be collected by the director of revenue at the time application is made for  
131 a certificate of title, if the address of the applicant is within a county where a sales tax is imposed  
132 under this section. The amounts so collected, less the one percent collection cost, shall be  
133 deposited in the county transit authority sales tax trust fund. The purchase or sale of motor  
134 vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the address  
135 of the applicant. As used in this subsection, the term "boat" shall only include motorboats and  
136 vessels as the terms "motorboat" and "vessel" are defined in section 306.010, RSMo.

137 [13.] **12.** In any county where the transit authority sales tax has been imposed, if any  
138 person is delinquent in the payment of the amount required to be paid by him under this section  
139 or in the event a determination has been made against him for taxes and penalty under this  
140 section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall  
141 be the same as that provided in sections 144.010 to 144.525, RSMo. Where the director of

142 revenue has determined that suit must be filed against any person for the collection of delinquent  
143 taxes due the state under the state sales tax law, and where such person is also delinquent in  
144 payment of taxes under this section, the director of revenue shall notify the transit authority to  
145 which delinquent taxes are due under this section by United States registered mail or certified  
146 mail at least ten days before turning the case over to the attorney general. The transit authority,  
147 acting through its attorney, may join in such suit as a party plaintiff to seek a judgment for the  
148 delinquent taxes and penalty due such transit authority. In the event any person fails or refuses  
149 to pay the amount of any sales tax due under this section, the director of revenue shall promptly  
150 notify the transit authority to which the tax would be due so that appropriate action may be taken  
151 by the transit authority.

152 [14.] **13.** Where property is seized by the director of revenue under the provisions of any  
153 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax  
154 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any  
155 tax imposed by this section, the director of revenue shall permit the transit authority to join in  
156 any sale of property to pay the delinquent taxes and penalties due the state and to the transit  
157 authority under this section. The proceeds from such sale shall first be applied to all sums due  
158 the state, and the remainder, if any, shall be applied to all sums due such transit authority under  
159 this section.

160 [15. The transit authority created under the provisions of sections 238.400 to 238.412  
161 shall notify any and all affected businesses of the change in tax rate caused by the imposition of  
162 the tax authorized by sections 238.400 to 238.412.

163 [16.] **14.** In the event that any transit authority in any county with a charter form of  
164 government and with more than two hundred fifty thousand but fewer than three hundred fifty  
165 thousand inhabitants submits a proposal in any election to increase the sales tax under this  
166 section, and such proposal is approved by the voters, the county shall be reimbursed for the costs  
167 of submitting such proposal from the funds derived from the tax levied under this section.

168 **15. Except as provided in sections 238.400 to 238.412, all provisions of sections**  
169 **32.085 and 32.087 shall apply to the tax imposed under sections 238.410 to 238.412.**

644.032. 1. The governing body of any municipality or county may impose, by  
2 ordinance or order, a sales tax in an amount not to exceed one-half of one percent on all retail  
3 sales made in such municipality or county which are subject to taxation under the provisions of  
4 sections 144.010 to 144.525, RSMo. The tax authorized by this section and section 644.033  
5 shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or  
6 order imposing a sales tax under the provisions of this section and section 644.033 shall be  
7 effective unless the governing body of the municipality or county submits to the voters of the  
8 municipality or county, at a municipal, county or state general, primary or special election, a  
9 proposal to authorize the governing body of the municipality or county to impose a tax[,  
10 provided, that the tax authorized by this section shall not be imposed on the sales of food, as

11 defined in section 144.014, RSMo, when imposed by any county with a charter form of  
12 government and with more than one million inhabitants].

13 2. The ballot of submission shall contain, but need not be limited to, the following  
14 language:

15 Shall the municipality (county) of ..... impose a sales tax of ..... (insert amount)  
16 for the purpose of providing funding for ..... (insert either storm water control, or local  
17 parks, or storm water control and local parks) for the municipality (county)?

18 ☐ YES ☐ NO

19 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
20 of the proposal, then the ordinance or order and any amendments thereto shall be in effect on the  
21 first day of the second quarter after the director of revenue receives notice of adoption of the tax.

22 If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the  
23 governing body of the municipality or county shall not impose the sales tax authorized in this  
24 section and section 644.033 until the governing body of the municipality or county resubmits  
25 another proposal to authorize the governing body of the municipality or county to impose the  
26 sales tax authorized by this section and section 644.033 and such proposal is approved by a  
27 majority of the qualified voters voting thereon; however, in no event shall a proposal pursuant  
28 to this section and section 644.033 be submitted to the voters sooner than twelve months from  
29 the date of the last proposal pursuant to this section and section 644.033.

30 3. All revenue received by a municipality or county from the tax authorized under the  
31 provisions of this section and section 644.033 shall be deposited in a special trust fund and shall  
32 be used to provide funding for storm water control or for local parks, or both, within such  
33 municipality or county, provided that such revenue may be used for local parks outside such  
34 municipality or county if the municipality or county is engaged in a cooperative agreement  
35 pursuant to section 70.220, RSMo.

36 4. Any funds in such special trust fund which are not needed for current expenditures  
37 may be invested by the governing body in accordance with applicable laws relating to the  
38 investment of other municipal or county funds.

2 [67.1971. All entities remitting the sales tax authorized pursuant to  
3 section 67.1959 shall have their liability reduced by an amount equal to  
4 twenty-five percent of any taxes collected and remitted pursuant to sections  
5 94.802 to 94.805, RSMo.]

2 [144.1000. Sections 144.1000 to 144.1015 shall be known as and referred  
3 to as the "Simplified Sales and Use Tax Administration Act".]

2 [144.1003. As used in sections 144.1000 to 144.1015, the following  
3 terms shall mean:

(1) "Agreement", the streamlined sales and use tax agreement;

(2) "Certified automated system", software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction;

(3) "Certified service provider", an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions;

(4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation or any other legal entity;

(5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, RSMo, or any other sales tax authorized by statute and levied by this state or its political subdivisions;

(6) "Seller", any person making sales, leases or rentals of personal property or services;

(7) "State", any state of the United States and the District of Columbia;

(8) "Use tax", the use tax levied pursuant to this chapter.]

[144.1006. For the purposes of reviewing and, if necessary, amending the agreement embodying the simplification recommendations contained in section 144.1015, the state may enter into multistate discussions. For purposes of such discussions, the state shall be represented by seven delegates, one of whom shall be appointed by the governor, two members appointed by the speaker of the house of representatives, one member appointed by the minority leader of the house of representatives, two members appointed by the president pro tempore of the senate and one member appointed by the minority leader of the senate. The delegates need not be members of the general assembly and at least one of the delegates appointed by the speaker of the house of representatives and one member appointed by the president pro tempore of the senate shall be from the private sector and represent the interests of Missouri businesses. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the multistate discussions and upon final adoption of the terms of the sales and use tax agreement by the multistate body.]

[144.1009. No provision of the agreement authorized by sections 144.1000 to 144.1015 in whole or in part invalidates or amends any provision of the law of this state. Implementation of any condition of this agreement in this state, whether adopted before, at, or after membership of this state in the agreement, must be by action of the general assembly. Such report shall be delivered to the governor, the secretary of state, the president pro tempore of the senate and the speaker of the house of representatives and shall simultaneously



8 be made publicly available by the secretary of state to any person requesting a  
9 copy.]

10 [144.1012. Unless five of the seven delegates agree, the delegates shall  
2 not enter into or vote for any streamlined sales and use tax agreement that:

3 (1) Requires adoption of a definition of any term that would cause any  
4 item or transaction that is now excluded or exempted from sales or use tax to  
5 become subject to sales or use tax;

6 (2) Requires the state of Missouri to fully exempt or fully apply sales  
7 taxes to the sale of food or any other item;

8 (3) Restricts the ability of local governments under statutes in effect on  
9 August 28, 2002, to enact one or more local taxes on one or more items without  
10 application of the tax to all sales within the taxing jurisdiction, however,  
11 restriction of any such taxes allowed by statutes effective after August 28, 2002,  
12 may be supported;

13 (4) Provides for adoption of any uniform rate structure that would result  
14 in a tax increase for any Missouri taxpayer;

15 (5) Affects the sourcing of sales tax transactions; or

16 (6) Prohibits limitations or thresholds on the application of sales and use  
17 tax rates or prohibits any current sales or use tax exemption in the state of  
18 Missouri, including exemptions that are based on the value of the transaction or  
19 item.]

20 [144.1015. In addition to the requirements of section 144.1012, the  
2 delegates should consider the following features when deciding whether or not  
3 to enter into any streamlined sales and use tax agreement:

4 (1) The agreement should address the limitation of the number of state  
5 rates over time;

6 (2) The agreement should establish uniform standards for administration  
7 of exempt sales and the form used for filing sales and use tax returns and  
8 remittances;

9 (3) The agreement should require the state to provide a central, electronic  
10 registration system that allows a seller to register to collect and remit sales and  
11 use taxes for all signatory states;

12 (4) The agreement should provide that registration with the central  
13 registration system and the collection of sales and use taxes in the signatory states  
14 will not be used as a factor in determining whether the seller has nexus with a  
15 state for any tax;

16 (5) The agreement should provide for reduction of the burdens of  
17 complying with local sales and use taxes through the following so long as they  
18 do not conflict with the provisions of section 144.1012:

19 (a) Restricting variances between the state and local tax bases;

20 (b) Requiring states to administer any sales and use taxes levied by local  
21 jurisdictions within the state so that sellers collecting and remitting these taxes

22 will not have to register or file returns with, remit funds to, or be subject to  
23 independent audits from local taxing jurisdictions;

24 (c) Restricting the frequency of changes in the local sales and use tax  
25 rates and setting effective dates for the application of local jurisdictional  
26 boundary changes to local sales and use taxes; and

27 (d) Providing notice of changes in local sales and use tax rates and of  
28 changes in the boundaries of local taxing jurisdictions;

29 (6) The agreement should outline any monetary allowances that are to be  
30 provided by the states to sellers or certified service providers. The agreement  
31 must allow for a joint public and private sector study of the compliance cost on  
32 sellers and certified service providers to collect sales and use taxes for state and  
33 local governments under various levels of complexity to be completed by July 1,  
34 2003;

35 (7) The agreement should require each state to certify compliance with  
36 the terms of the agreement prior to joining and to maintain compliance, under the  
37 laws of the member state, with all provisions of the agreement while a member,  
38 only if the agreement and any amendment thereto complies with the provisions  
39 of section 144.1012;

40 (8) The agreement should require each state to adopt a uniform policy for  
41 certified service providers that protects the privacy of consumers and maintains  
42 the confidentiality of tax information; and

43 (9) The agreement should provide for the appointment of an advisory  
44 council of private sector representatives and an advisory council of nonmember  
45 state representatives to consult with in the administration of the agreement.]

Section B. Section A of this act shall become effective on January 1, 2012.

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