

FIRST EXTRAORDINARY SESSION

[PERFECTED]

# HOUSE BILL NO. 2

## 96TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES FLANIGAN (Sponsor), ALLEN AND KELLY (24) (Co-sponsors).

0010L.01P

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 32.028, 32.087, 99.805, 99.810, 99.835, 99.845, 99.865, 105.716, and 144.083, RSMo, and to enact in lieu thereof twenty new sections relating to collection of state money, with penalty provisions.

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

Section A. Sections 32.028, 32.087, 99.805, 99.810, 99.835, 99.845, 99.865, 105.716 and 144.083, RSMo, are repealed and twenty new sections enacted in lieu thereof, to be known as sections 32.028, 32.058, 32.087, 32.088, 32.383, 32.385, 32.410, 32.420, 32.430, 32.440, 32.450, 32.460, 99.805, 99.810, 99.835, 99.845, 99.865, 105.716, 140.910, and 144.083, to read as follows:

32.028. 1. There is hereby created a department of revenue in charge of a director appointed by the governor, by and with the advice and consent of the senate. The department shall collect all taxes and fees payable to the state as provided by law **and may collect, upon referral by a state agency, debts owed to any state agency subject to section 32.420.**

2. The powers, duties and functions of the department of revenue, chapter 32 and others, are transferred by type I transfer to the department of revenue. All powers, duties and function of the collector of revenue are transferred to the director of the department by type I transfer and the position of collector of revenue is abolished.

3. The powers, duties and functions of the state tax commission, chapter 138 and others, are transferred by type III transfer to the department of revenue.

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.

11           4. All of the powers, duties and functions of the state tax commission relating to  
12 administration of the corporation franchise tax, chapter 152, and others, are transferred by type  
13 I transfer to the department of revenue; provided, however, that the provision of section 138.430  
14 relating to appeals from decisions of the director of revenue shall apply to these taxes.

15           5. All the powers, duties and functions of the highway reciprocity commission, chapter  
16 301, are transferred by type II transfer to the department of revenue.

**32.058. For all years beginning after January 1, 2012, notwithstanding the certified  
2 mail provisions contained in chapters 32, 140, 142, 143, 144, 147, 148, 149, and 302, the  
3 director of revenue may choose to mail any document by first class mail.**

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.  
5 The 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 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 provisions  
17 of section 144.285 shall be based upon the sum of the combined rate of the state sales tax and  
18 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, and the rules and regulations of the director of revenue issued  
23 pursuant thereto; except that the rate of the tax shall be the sum of the combined rate of the state  
24 sales tax or state highway use tax and all local sales taxes imposed under the provisions of the  
25 local sales tax law.

26           6. On and after the effective date of any local sales tax imposed under the provisions of  
27 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. **The director shall retain one percent**  
31 **of the amount of any local sales or use tax collected for cost of collection.** All local sales  
32 taxes imposed under the local sales tax law together with all taxes imposed under the sales tax  
33 law of the state of Missouri shall be collected together and reported upon such forms and under  
34 such administrative rules and regulations as may be prescribed by the director of revenue.

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

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

46 9. The same sales tax permit, exemption certificate and retail certificate required by  
47 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall  
48 satisfy the requirements of the local sales tax law, and no additional permit or exemption  
49 certificate or retail certificate shall be required; except that the director of revenue may prescribe  
50 a form of exemption certificate for an exemption from any local sales tax imposed by the local  
51 sales tax law.

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

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

59 12. (1) For the purposes of any local sales tax imposed by an ordinance or order under  
60 the local sales tax law, all sales, except the sale of motor vehicles, trailers, boats, and outboard  
61 motors, shall be deemed to be consummated at the place of business of the retailer unless the  
62 tangible personal property sold is delivered by the retailer or his agent to an out-of-state  
63 destination. In the event a retailer has more than one place of business in this state which

64 participates in the sale, the sale shall be deemed to be consummated at the place of business of  
65 the retailer where the initial order for the tangible personal property is taken, even though the  
66 order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A  
67 sale by a retailer's agent or employee shall be deemed to be consummated at the place of business  
68 from which he works.

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

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

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

82 14. The director of revenue and any of his **or her** deputies, assistants and employees who  
83 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,  
84 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the  
85 director of revenue under the provisions of the local sales tax law shall enter a surety bond or  
86 bonds payable to any and all taxing entities in whose behalf such funds have been collected  
87 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;  
88 but the director of revenue may enter into a blanket bond covering himself **or herself** and all  
89 such deputies, assistants and employees. The cost of any premium for such bonds shall be paid  
90 by the director of revenue from the share of the collections under the sales tax law retained by  
91 the director of revenue for the benefit of the state.

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

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

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

18. If a local sales tax has been in effect for at least one year under the provisions of the local sales tax law and voters approve reimposition of the same local sales tax at the same rate at an election as provided for in the local sales tax law prior to the date such tax is due to expire, the tax so reimposed shall become effective the first day of the first calendar quarter after the director receives a certified copy of the ordinance, order or resolution accompanied by a map clearly showing the boundaries thereof and the results of such election, provided that such ordinance, order or resolution and all necessary accompanying materials are received by the director at least thirty days prior to the expiration of such tax. Any administrative cost or expense incurred by the state as a result of the provisions of this subsection shall be paid by the city or county reimposing such tax.

**32.088. 1. Beginning January 1, 2012, the possession of a statement from the department of revenue stating no tax is due under chapters 142, 143, 144, 147, and 149, and that no fees are due under sections 260.262 or 260.273, shall be a prerequisite to the issuance or renewal of any city or county occupational license or any state license required for conducting any business. The statement of no tax due shall be dated no longer than ninety days before the date of submission for application or renewal of the city or county license.**

**2. Beginning January 1, 2012, in lieu of subsection 1 of this section, the director may enter into an agreement with any state agency responsible for issuing any state license**

10 for conducting any business, requiring the agency to provide the director of revenue with  
11 the name and Missouri tax identification number of each applicant for licensure within one  
12 month of the date the application is filed or at least one month prior to the anticipated  
13 renewal of a licensee's license. If such licensee is delinquent on any taxes under chapters  
14 142, 143, 144, 147, and 149, or fees under sections 260.262 or 260.273, the director shall  
15 then send notice to each such entity and licensee. In the case of such delinquency or failure  
16 to file, the licensee's license shall be suspended within ninety days after notice of such  
17 delinquency or failure to file, unless the director of revenue verifies that such delinquency  
18 or failure has been remedied or arrangements have been made to achieve such remedy.  
19 The director of revenue shall, within ten business days of notification to the governmental  
20 entity issuing the license that the delinquency has been remedied or arrangements have  
21 been made to remedy such delinquency, send written notification to the licensee that the  
22 delinquency has been remedied. Tax liability paid in protest or reasonably founded  
23 disputes with such liability shall be considered paid for the purposes of this section.

32.383. 1. Notwithstanding the provisions of any other law to the contrary, with  
2 respect to taxes administered by the department of revenue and imposed in chapters 143  
3 and 144, an amnesty from the assessment or payment of all penalties, additions to tax, and  
4 interest shall apply with respect to unpaid taxes or taxes due and owing reported and paid  
5 in full from January 1, 2012, to February 29, 2012, regardless of whether previously  
6 assessed, except for penalties, additions to tax, and interest paid before January 1, 2012.  
7 The amnesty shall apply only to state tax liabilities due or due but unpaid on or before  
8 December 31, 2010, and shall not extend to any taxpayer who at the time of payment is a  
9 party to any criminal investigations or to any civil or criminal litigation that is pending in  
10 any court of the United States or this state for nonpayment, delinquency, or fraud in  
11 relation to any state tax imposed by this state.

12 2. Upon written application by the taxpayer, on forms prescribed by the director  
13 of revenue, and upon compliance with the provisions of this section, the department of  
14 revenue shall not seek to collect any penalty, addition to tax, or interest that may be  
15 applicable. The department of revenue shall not seek civil or criminal prosecution for any  
16 taxpayer for the taxable period for which the amnesty has been granted, unless subsequent  
17 investigation or audit shows that the taxpayer engaged in fraudulent or criminal conduct  
18 in applying for amnesty.

19 3. Amnesty shall be granted only to those taxpayers who have applied for amnesty  
20 within the period stated in this section, who have filed a tax return for each taxable period  
21 for which amnesty is requested, who have paid the entire balance due within sixty days of  
22 approval by the department of revenue, and who agree to comply with state tax laws for

23 the next eight years from the date of the agreement. No taxpayer shall be entitled to a  
24 waiver of any penalty, addition to tax, or interest under this section unless full payment of  
25 the tax due is made in accordance with rules established by the director of revenue.

26 4. All taxpayers granted amnesty under this section shall comply with this state's  
27 tax laws for the eight years following the date of the amnesty agreement. If any such  
28 taxpayer fails to comply with all of this state's tax laws at any time during the eight years  
29 following the date of the agreement, all penalties, additions to tax, and interest that were  
30 waived under the amnesty agreement shall become due and owing immediately.

31 5. If a taxpayer elects to participate in the amnesty program established in this  
32 section as evidenced by full payment of the tax due as established by the director of  
33 revenue, that election shall constitute an express and absolute relinquishment of all  
34 administrative and judicial rights of appeal. No tax payment received under this section  
35 shall be eligible for refund or credit.

36 6. Nothing in this section shall be interpreted to disallow the department of revenue  
37 to adjust a taxpayer's tax return as a result of any state or federal audit.

38 7. All tax payments received as a result of the amnesty program established in this  
39 section, other than revenues earmarked by state law, shall be deposited in the state general  
40 revenue fund.

41 8. The department may promulgate rules as are necessary to implement the  
42 provisions of this section. Any rule or portion of a rule, as that term is defined in section  
43 536.010, that is created under the authority delegated in this section shall become effective  
44 only if it complies with and is subject to all of the provisions of chapter 536 and, if  
45 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of  
46 the powers vested with the general assembly under chapter 536 to review, to delay the  
47 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,  
48 then the grant of rulemaking authority and any rule proposed or adopted after effective  
49 date of this act, shall be invalid and void.

32.385. 1. The director of revenue and the commissioner of administration may  
2 jointly enter into a reciprocal collection and offset of indebtedness agreement with the  
3 federal government, under which the State will offset from state tax refunds and from  
4 payments otherwise due to vendors and contractors providing goods or services to state  
5 departments, agencies, or other state agencies nontax debt owed to the federal government;  
6 and the federal government will offset from federal payments to vendors, contractors, and  
7 taxpayers debt owed to the state of Missouri.

8 2. When used in this section, the following terms shall mean:

9           (1) "Federal official", a unit or official of the federal government charged with the  
10 collection of non-tax liabilities payable to the federal government under 31 U.S.C. Section  
11 3716, as amended;

12           (2) "Nontax liability due the state", a liability certified to the director of revenue  
13 by a state agency which shall include, but shall not be limited to, fines, fees, penalties, and  
14 other nontax assessments imposed by, or payable to, any state agency that is finally  
15 determined to be due and owing;

16           (3) "Offset agreement", the agreement authorized by this section;

17           (4) "Person", an individual, partnership, society, association, joint stock company,  
18 corporation, public corporation, or any public authority, estate, receiver, trustee, assignee,  
19 referee, any other person acting in a fiduciary or representative capacity whether  
20 appointed by a court or otherwise, or any combination thereof;

21           (5) "Refund", an amount described as a refund of tax under the provisions of state  
22 tax law that authorized its payment;

23           (6) "State agency", any department, division, board, commission, office, or other  
24 agency of the state of Missouri;

25           (7) "Vendor payment", any payment, other than a refund, made by the state to any  
26 person or entity which shall include, but not be limited to, any expense reimbursement to  
27 an employee of the state. The term "vendor payment" shall not include a person's salary,  
28 wages, or pension.

29           3. Under the offset agreement, a federal official may:

30           (1) Certify to the state of Missouri the existence of a person's delinquent nontax  
31 liability owed by such person to the federal government;

32           (2) Request that the state of Missouri withhold any refund or vendor payment to  
33 which such person is entitled;

34           (3) Certify and request the state of Missouri to withhold a refund or vendor  
35 payment only if the laws of the United States:

36           (a) Allow the state of Missouri to enter into a reciprocal agreement with the United  
37 States, under which the federal official would be authorized to offset federal payments to  
38 collect delinquent tax and nontax debts owed to the state; and

39           (b) Provide for the payment of the amount withheld to the state;

40           (4) Retain a portion of the proceeds of any collection offset as provided under the  
41 offset agreement.

42           4. Under the offset agreement, a certification by a federal official to the state of  
43 Missouri shall include:



44           (1) The full name of the person and any other names known to be used by such  
45 person;

46           (2) The social security number or federal tax identification number of such person;

47           (3) The amount of the nontax liability; and

48           (4) A statement that the debt is past due and legally enforceable in the amount  
49 certified.

50           5. If a person for whom a certification is received from a federal official is due a  
51 refund of Missouri tax or a vendor payment, the agreement may provide that the state of  
52 Missouri shall:

53           (1) Withhold such refund or vendor payment;

54           (2) In accordance with the provisions of the offset agreement, notify such person  
55 of the amount withheld in satisfaction of a liability certified by a federal official;

56           (3) Pay to the federal official the lesser of:

57           (a) The entire refund or vendor payment; or

58           (b) The amount certified; and

59           (4) Pay any refund or vendor payment in excess of the certified amount to the  
60 person.

61           6. Under the agreement, the director of revenue shall:

62           (1) Certify to a federal official the existence of a person's delinquent tax or nontax  
63 liability due the state;

64           (2) Request that the federal official withhold any eligible vendor payment to which  
65 the person is entitled; and

66           (3) Provide for the payment of the amount withheld to the state.

67           7. Any certification by a state agency to the director of revenue, or by the director  
68 of revenue to a federal official under the offset agreement shall include:

69           (1) The full name and address of the person and any other names known to be used  
70 by such person;

71           (2) The social security number or tax identification number of such person;

72           (3) The amount of the tax or nontax liability;

73           (4) A statement that the debt is past due and legally enforceable in the amount  
74 certified; and

75           (5) Any other information required by federal law or regulation applicable to the  
76 collection of the debt by offset of federal payments.

77           8. Any other provisions of law to the contrary notwithstanding, the director of  
78 revenue and the commissioner of administration shall have the authority to enter into  
79 reciprocal agreements with any other state which extends a like comity to this state to offset

80 from state tax refunds and from payments otherwise due to vendors and contractors  
81 providing goods or services to state departments, agencies, or other state agencies nontax  
82 debt for debts due such state.

32.410. As used in sections 32.410 to 32.460, the following terms shall mean:

2 (1) "Debt", an amount owed to the state directly or through a state agency, on  
3 account of a fee, duty, lease, direct loan, loan insured or guaranteed by the state, rent,  
4 service, sale of real or personal property, overpayment, fine, assessment, penalty,  
5 restitution, damages, interest, tax, bail bond, forfeiture, reimbursement, liability owed, an  
6 assignment, recovery of costs incurred by the state, or any other source of indebtedness to  
7 the state;

8 (2) "Debtor", an individual, a corporation, a partnership, an unincorporated  
9 association, a limited liability company, a trust, an estate, or any other public or private  
10 entity, including a state, local, or federal government, or an Indian tribe, that is liable for  
11 a debt or against whom there is a claim for a debt;

12 (3) "Department", the department of revenue;

13 (4) "State agency", any division, board, commission, office, or other agency of the  
14 state of Missouri, including public community college districts and any state or municipal  
15 court.

32.420. 1. Notwithstanding any other provision of law to the contrary, all state  
2 agencies may refer to the department for collection debts owed to them. The department  
3 may provide collection services on debts referred to the department by a state agency. This  
4 authority shall not supersede the authority granted to the attorney general pursuant to  
5 section 27.060 or any other statute.

6 2. A referring agency may refer the debt to the department for collection at any  
7 time after a debt becomes delinquent and uncontested and the debtor shall have no further  
8 administrative appeal of the amount of the debt. Methods and procedures for referral  
9 shall be governed by an agreement between the referring agency and the department.

10 3. The collection procedures and remedies under this chapter are in addition to any  
11 other procedure or remedy available by law. If the state agency's applicable state or  
12 federal law requires the use of a particular remedy or procedure for the collection of a  
13 debt, that particular remedy or procedure shall govern the collection of that debt to the  
14 extent the procedure or remedy is inconsistent with this chapter.

15 4. The state agency shall send notice to the debtor by United States mail at the  
16 debtor's last known address at least twenty days before the debt is referred to the  
17 department. The notice shall state the nature and amount of the debt, identify to whom

18 the debt is owed, and inform the debtor of the remedies available under this chapter or the  
19 state agency's own procedures.

32.430. 1. Except as otherwise provided in this section, the department shall have  
2 the authority to use all general remedies afforded creditors of this state in collection of debt  
3 as well as any remedies afforded the state agency referring the debt and to the state in  
4 general as a creditor. The department shall not have authority to prosecute or defend civil  
5 actions on behalf of any other state agency, except as necessary to defend any challenges  
6 made to actions pursuant to sections 143.902 or 140.910 for a debt referred by a state  
7 agency or to prosecute an action pursuant to subsection 10 of section 140.910.

8 2. In addition to the remedies identified in sections 32.410 to 32.460, the department  
9 may use the collection remedies afforded under sections 143.902 and 140.910 in the  
10 collection of any state debt referred to the department.

11 3. The department may employ department staff and attorneys, and at the  
12 department's discretion, prosecuting attorneys and private collection agencies as  
13 authorized in sections 136.150 and 140.850 in seeking collection of debts referred to the  
14 department by a state agency.

32.440. 1. The department shall add to the amount of debt referred to the  
2 department by a state agency the cost of collection which shall be ten percent of the total  
3 debt referred by the state agency. The department shall have the same authority to collect  
4 the cost of collection as the department has in collecting the debt referred by the state  
5 agency.

6 2. The cost of collection shall only be waived when:

7 (1) Within thirty days after the initial notice to the debtor by the department, the  
8 debtor establishes to the department reasonable cause for the failure to pay the debt prior  
9 to referral of the debt to the department, enters into an agreement satisfactory to the  
10 department to pay the debt in full, and fully abides by the terms of that agreement;

11 (2) A good faith dispute as to the legitimacy or the amount of the debt exists, and  
12 payment is remitted or an agreement satisfactory to the department to pay the debt in full  
13 is entered into within thirty days after resolution of the dispute, and the debtor fully abides  
14 by the terms of that agreement; or

15 (3) Collection costs have been added by the state agency and are included in the  
16 amount of the referred debt.

17 3. If the department collects an amount less than the total due, the payment shall  
18 be applied proportionally to collection costs and the underlying debt unless the department  
19 has waived this requirement for certain categories of debt. Collection costs collected by the  
20 department under this section shall be deposited in the general revenue fund.

2       **32.450. The department may compromise state debt referred to the department in**  
3       **accordance with section 32.378 and any agreement with the referring agency.**

2       **32.460. The department and state agencies, including the judiciary, may exchange**  
3       **such information, including the debtor's Social Security number, as is necessary for the**  
4       **successful collection of the state debt referred. The referring state agency shall follow all**  
5       **applicable federal and state laws regarding the confidentiality of information and records**  
6       **regarding the debtor. The confidentiality laws applicable to the particular information**  
7       **received and retained by each agency shall apply to the employees of such state agency and**  
8       **to the department when such information has been forwarded to the department.**

2       99.805. As used in sections 99.800 to 99.865, unless the context clearly requires  
3       otherwise, the following terms shall mean:

3       (1) "Blighted area", an area which, by reason of the predominance of defective or  
4       inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,  
5       improper subdivision or obsolete platting, or the existence of conditions which endanger life or  
6       property by fire and other causes, or any combination of such factors, retards the provision of  
7       housing accommodations or constitutes an economic or social liability or a menace to the public  
8       health, safety, morals, or welfare in its present condition and use;

9       (2) "Collecting officer", the officer of the municipality responsible for receiving and  
10      processing payments in lieu of taxes or economic activity taxes from taxpayers or the department  
11      of revenue;

12      (3) "Conservation area", any improved area within the boundaries of a redevelopment  
13      area located within the territorial limits of a municipality in which fifty percent or more of the  
14      structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted  
15      area but is detrimental to the public health, safety, morals, or welfare and may become a blighted  
16      area because of any one or more of the following factors: dilapidation; obsolescence;  
17      deterioration; illegal use of individual structures; presence of structures below minimum code  
18      standards; abandonment; excessive vacancies; overcrowding of structures and community  
19      facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land  
20      coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of  
21      community planning. A conservation area shall meet at least three of the factors provided in this  
22      subdivision for projects approved on or after December 23, 1997;

23      (4) "Disaster area", a blighted area located within a municipality for which public  
24      and individual assistance has been requested by the governor under Section 401 of the  
25      Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. Section 5121,  
26      et seq., for an emergency proclaimed by the governor under section 44.100 due to a natural  
27      disaster of major proportions and the blighted area has sustained severe damage as a result

28 **of such natural disaster, as determined by the state emergency management agency,**  
29 **provided that the municipality adopts an ordinance approving the redevelopment project**  
30 **within one year after the occurrence of the natural disaster;**

31 (5) "Economic activity taxes", the total additional revenue from taxes which are imposed  
32 by a municipality and other taxing districts, and which are generated by economic activities  
33 within a redevelopment area over the amount of such taxes generated by economic activities  
34 within such redevelopment area in the calendar year prior to the adoption of the ordinance  
35 designating such a redevelopment area, while tax increment financing remains in effect, but  
36 excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by  
37 transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment  
38 projects or redevelopment plans approved after December 23, 1997, if a retail establishment  
39 relocates within one year from one facility to another facility within the same county and the  
40 governing body of the municipality finds that the relocation is a direct beneficiary of tax  
41 increment financing, then for purposes of this definition, the economic activity taxes generated  
42 by the retail establishment shall equal the total additional revenues from economic activity taxes  
43 which are imposed by a municipality or other taxing district over the amount of economic  
44 activity taxes generated by the retail establishment in the calendar year prior to its relocation to  
45 the redevelopment area;

46 [(5)] (6) "Economic development area", any area or portion of an area located within the  
47 territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and  
48 (3) of this section, and in which the governing body of the municipality finds that redevelopment  
49 will not be solely used for development of commercial businesses which unfairly compete in the  
50 local economy and is in the public interest because it will:

51 (a) Discourage commerce, industry or manufacturing from moving their operations to  
52 another state; or

53 (b) Result in increased employment in the municipality; or

54 (c) Result in preservation or enhancement of the tax base of the municipality;

55 [(6)] (7) "Gambling establishment", an excursion gambling boat as defined in section  
56 313.800 and any related business facility including any real property improvements which are  
57 directly and solely related to such business facility, whose sole purpose is to provide goods or  
58 services to an excursion gambling boat and whose majority ownership interest is held by a person  
59 licensed to conduct gambling games on an excursion gambling boat or licensed to operate an  
60 excursion gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be  
61 applicable only to a redevelopment area designated by ordinance adopted after December 23,  
62 1997;

63           [(7)] **(8)** "Greenfield area", any vacant, unimproved, or agricultural property that is  
64 located wholly outside the incorporated limits of a city, town, or village, or that is substantially  
65 surrounded by contiguous properties with agricultural zoning classifications or uses unless said  
66 property was annexed into the incorporated limits of a city, town, or village ten years prior to the  
67 adoption of the ordinance approving the redevelopment plan for such greenfield area;

68           [(8)] **(9)** "Municipality", a city, village, or incorporated town or any county of this state.  
69 For redevelopment areas or projects approved on or after December 23, 1997, "municipality"  
70 applies only to cities, villages, incorporated towns or counties established for at least one year  
71 prior to such date;

72           [(9)] **(10)** "Obligations", bonds, loans, debentures, notes, special certificates, or other  
73 evidences of indebtedness issued by a municipality to carry out a redevelopment project or to  
74 refund outstanding obligations;

75           [(10)] **(11)** "Ordinance", an ordinance enacted by the governing body of a city, town, or  
76 village or a county or an order of the governing body of a county whose governing body is not  
77 authorized to enact ordinances;

78           [(11)] **(12)** "Payment in lieu of taxes", those estimated revenues from real property in the  
79 area selected for a redevelopment project, which revenues according to the redevelopment  
80 project or plan are to be used for a private use, which taxing districts would have received had  
81 a municipality not adopted tax increment allocation financing, and which would result from  
82 levies made after the time of the adoption of tax increment allocation financing during the time  
83 the current equalized value of real property in the area selected for the redevelopment project  
84 exceeds the total initial equalized value of real property in such area until the designation is  
85 terminated pursuant to subsection 2 of section 99.850;

86           [(12)] **(13)** "Redevelopment area", an area designated by a municipality, in respect to  
87 which the municipality has made a finding that there exist conditions which cause the area to be  
88 classified as a blighted area, a conservation area, an economic development area, an enterprise  
89 zone pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only  
90 those parcels of real property directly and substantially benefitted by the proposed redevelopment  
91 project;

92           [(13)] **(14)** "Redevelopment plan", the comprehensive program of a municipality for  
93 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those  
94 conditions, the existence of which qualified the redevelopment area as a blighted area,  
95 conservation area, economic development area, or combination thereof, and to thereby enhance  
96 the tax bases of the taxing districts which extend into the redevelopment area. Each  
97 redevelopment plan shall conform to the requirements of section 99.810;

98           [(14)] **(15)** "Redevelopment project", any development project within a redevelopment  
99 area in furtherance of the objectives of the redevelopment plan; any such redevelopment project  
100 shall include a legal description of the area selected for the redevelopment project;

101           [(15)] **(16)** "Redevelopment project costs" include the sum total of all reasonable or  
102 necessary costs incurred or estimated to be incurred, and any such costs incidental to a  
103 redevelopment plan or redevelopment project, as applicable. Such costs include, but are not  
104 limited to, the following:

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

106           (b) Professional service costs, including, but not limited to, architectural, engineering,  
107 legal, marketing, financial, planning or special services. Except the reasonable costs incurred  
108 by the commission established in section 99.820 for the administration of sections 99.800 to  
109 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be  
110 included in the costs of a redevelopment plan or project;

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

114           (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings  
115 and fixtures;

116           (e) Initial costs for an economic development area;

117           (f) Costs of construction of public works or improvements;

118           (g) Financing costs, including, but not limited to, all necessary and incidental expenses  
119 related to the issuance of obligations, and which may include payment of interest on any  
120 obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period  
121 of construction of any redevelopment project for which such obligations are issued and for not  
122 more than eighteen months thereafter, and including reasonable reserves related thereto;

123           (h) All or a portion of a taxing district's capital costs resulting from the redevelopment  
124 project necessarily incurred or to be incurred in furtherance of the objectives of the  
125 redevelopment plan and project, to the extent the municipality by written agreement accepts and  
126 approves such costs;

127           (i) Relocation costs to the extent that a municipality determines that relocation costs shall  
128 be paid or are required to be paid by federal or state law;

129           (j) Payments in lieu of taxes;

130           [(16)] **(17)** "Special allocation fund", the fund of a municipality or its commission which  
131 contains at least two separate segregated accounts for each redevelopment plan, maintained by  
132 the treasurer of the municipality or the treasurer of the commission into which payments in lieu

133 of taxes are deposited in one account, and economic activity taxes and other revenues are  
134 deposited in the other account;

135 [(17)] **(18)** "Taxing districts", any political subdivision of this state having the power to  
136 levy taxes;

137 [(18)] **(19)** "Taxing districts' capital costs", those costs of taxing districts for capital  
138 improvements that are found by the municipal governing bodies to be necessary and to directly  
139 result from the redevelopment project; and

140 [(19)] **(20)** "Vacant land", any parcel or combination of parcels of real property not used  
141 for industrial, commercial, or residential buildings.

99.810. 1. Each redevelopment plan shall set forth in writing a general description of  
2 the program to be undertaken to accomplish the objectives and shall include, but need not be  
3 limited to, the estimated redevelopment project costs, the anticipated sources of funds to pay the  
4 costs, evidence of the commitments to finance the project costs, the anticipated type and term  
5 of the sources of funds to pay costs, the anticipated type and terms of the obligations to be issued,  
6 the most recent equalized assessed valuation of the property within the redevelopment area  
7 which is to be subjected to payments in lieu of taxes and economic activity taxes pursuant to  
8 section 99.845, an estimate as to the equalized assessed valuation after redevelopment, and the  
9 general land uses to apply in the redevelopment area. No redevelopment plan shall be adopted  
10 by a municipality without findings that:

11 (1) The redevelopment area on the whole is:

12 **(a)** A blighted area, a conservation area, or an economic development area, and has not  
13 been subject to growth and development through investment by private enterprise and would not  
14 reasonably be anticipated to be developed without the adoption of tax increment financing. Such  
15 a finding shall include, but not be limited to, a detailed description of the factors that qualify the  
16 redevelopment area or project pursuant to this subdivision and an affidavit, signed by the  
17 developer or developers and submitted with the redevelopment plan, attesting that the provisions  
18 of this subdivision have been met; **or**

19 **(b) Predominantly within a disaster area;**

20 (2) The redevelopment plan conforms to the comprehensive plan for the development  
21 of the municipality as a whole;

22 (3) The estimated dates, which shall not be more than twenty-three years from the  
23 adoption of the ordinance approving a redevelopment project within a redevelopment area, of  
24 completion of any redevelopment project and retirement of obligations incurred to finance  
25 redevelopment project costs have been stated, provided that no ordinance approving a  
26 redevelopment project shall be adopted later than ten years from the adoption of the ordinance  
27 approving the redevelopment plan under which such project is authorized and provided that no



28 property for a redevelopment project shall be acquired by eminent domain later than five years  
29 from the adoption of the ordinance approving such redevelopment project;

30 (4) A plan has been developed for relocation assistance for businesses and residences;

31 (5) A cost-benefit analysis showing the economic impact of the plan on each taxing  
32 district which is at least partially within the boundaries of the redevelopment area. The analysis  
33 shall show the impact on the economy if the project is not built, and is built pursuant to the  
34 redevelopment plan under consideration. The cost-benefit analysis shall include a fiscal impact  
35 study on every affected political subdivision, and sufficient information from the developer for  
36 the commission established in section 99.820 to evaluate whether the project as proposed is  
37 financially feasible; **provided that, in the case of a disaster area, such information regarding**  
38 **financial feasibility may be provided by the municipality;**

39 (6) A finding that the plan does not include the initial development or redevelopment of  
40 any gambling establishment, provided however, that this subdivision shall be applicable only to  
41 a redevelopment plan adopted for a redevelopment area designated by ordinance after  
42 December 23, 1997.

43 2. By the last day of February each year, each commission shall report to the director of  
44 economic development the name, address, phone number and primary line of business of any  
45 business which relocates to the district. The director of the department of economic development  
46 shall compile and report the same to the governor, the speaker of the house and the president pro  
47 tempore of the senate on the last day of April each year.

99.835. 1. Obligations secured by the special allocation fund set forth in sections 99.845  
2 and 99.850 for the redevelopment area or redevelopment project may be issued by the  
3 municipality pursuant to section 99.820 or by the tax increment financing commission to provide  
4 for redevelopment costs. Such obligations, when so issued, shall be retired in the manner  
5 provided in the ordinance or resolution authorizing the issuance of such obligations by the  
6 receipts of payments in lieu of taxes as specified in section 99.855 and, subject to annual  
7 appropriation, other tax revenue as specified in section 99.845. A municipality may, in the  
8 ordinance or resolution, pledge all or any part of the funds in and to be deposited in the special  
9 allocation fund created pursuant to sections 99.845 and 99.850 to the payment of the  
10 redevelopment costs and obligations. Any pledge of funds in the special allocation fund may  
11 provide for distribution to the taxing districts of moneys not required for payment of  
12 redevelopment costs or obligations and such excess funds shall be deemed to be surplus funds,  
13 except that any moneys allocated to the special allocation fund as provided in subsection 4 **or**  
14 **13** of section 99.845, and which are not required for payment of redevelopment costs and  
15 obligations, shall not be distributed to the taxing districts but shall be returned to the department  
16 of economic development for credit to the general revenue fund. In the event a municipality only

17 pledges a portion of the funds in the special allocation fund for the payment of redevelopment  
18 costs or obligations, any such funds remaining in the special allocation fund after complying with  
19 the requirements of the pledge, including the retention of funds for the payment of future  
20 redevelopment costs, if so required, shall also be deemed surplus funds. All surplus funds shall  
21 be distributed annually to the taxing districts in the redevelopment area by being paid by the  
22 municipal treasurer to the county collector who shall immediately thereafter make distribution  
23 as provided in subdivision (12) of section 99.820.

24         2. Without limiting the provisions of subsection 1 of this section, the municipality may,  
25 in addition to obligations secured by the special allocation fund, pledge any part or any  
26 combination of net new revenues of any redevelopment project, or a mortgage on part or all of  
27 the redevelopment project to secure its obligations or other redevelopment costs.

28         3. Obligations issued pursuant to sections 99.800 to 99.865 may be issued in one or more  
29 series bearing interest at such rate or rates as the issuing body of the municipality shall determine  
30 by ordinance or resolution. Such obligations shall bear such date or dates, mature at such time  
31 or times not exceeding twenty-three years from their respective dates, when secured by the  
32 special allocation fund, be in such denomination, carry such registration privileges, be executed  
33 in such manner, be payable in such medium of payment at such place or places, contain such  
34 covenants, terms and conditions, and be subject to redemption as such ordinance or resolution  
35 shall provide. Obligations issued pursuant to sections 99.800 to 99.865 may be sold at public  
36 or private sale at such price as shall be determined by the issuing body and shall state that  
37 obligations issued pursuant to sections 99.800 to 99.865 are special obligations payable solely  
38 from the special allocation fund or other funds specifically pledged. No referendum approval  
39 of the electors shall be required as a condition to the issuance of obligations pursuant to sections  
40 99.800 to 99.865.

41         4. The ordinance authorizing the issuance of obligations may provide that the obligations  
42 shall contain a recital that they are issued pursuant to sections 99.800 to 99.865, which recital  
43 shall be conclusive evidence of their validity and of the regularity of their issuance.

44         5. Neither the municipality, its duly authorized commission, the commissioners or the  
45 officers of a municipality nor any person executing any obligation shall be personally liable for  
46 such obligation by reason of the issuance thereof. The obligations issued pursuant to sections  
47 99.800 to 99.865 shall not be a general obligation of the municipality, county, state of Missouri,  
48 or any political subdivision thereof, nor in any event shall such obligation be payable out of any  
49 funds or properties other than those specifically pledged as security therefor. The obligations  
50 shall not constitute indebtedness within the meaning of any constitutional, statutory or charter  
51 debt limitation or restriction.

99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

(1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

(2) (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for

36 in section 163.031 until such time as all redevelopment costs have been paid as provided for in  
37 this section and section 99.850;

38 (b) Notwithstanding any provisions of this section to the contrary, for purposes of  
39 determining the limitation on indebtedness of local government pursuant to article VI, section  
40 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area  
41 selected for redevelopment attributable to the increase above the total initial equalized assessed  
42 valuation shall be included in the value of taxable tangible property as shown on the last  
43 completed assessment for state or county purposes;

44 (c) The county assessor shall include the current assessed value of all property within  
45 the taxing district in the aggregate valuation of assessed property entered upon the assessor's  
46 book and verified pursuant to section 137.245, and such value shall be utilized for the purpose  
47 of the debt limitation on local government pursuant to article VI, section 26(b) of the Missouri  
48 Constitution;

49 (3) For purposes of this section, "levies upon taxable real property in such redevelopment  
50 project by taxing districts" shall not include the blind pension fund tax levied under the authority  
51 of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'  
52 inventory replacement tax levied under the authority of subsection 2 of section 6 of article X of  
53 the Missouri Constitution, except in redevelopment project areas in which tax increment  
54 financing has been adopted by ordinance pursuant to a plan approved by vote of the governing  
55 body of the municipality taken after August 13, 1982, and before January 1, 1998.

56 2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection  
57 1 of this section, for redevelopment plans and projects adopted or redevelopment projects  
58 approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total  
59 additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing  
60 districts, which are generated by economic activities within the area of the redevelopment project  
61 over the amount of such taxes generated by economic activities within the area of the  
62 redevelopment project in the calendar year prior to the adoption of the redevelopment project by  
63 ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales  
64 or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant  
65 to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and  
66 any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section  
67 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local  
68 political subdivision collecting officer to the treasurer or other designated financial officer of the  
69 municipality, who shall deposit such funds in a separate segregated account within the special  
70 allocation fund. Any provision of an agreement, contract or covenant entered into prior to  
71 July 12, 1990, between a municipality and any other political subdivision which provides for an

72 appropriation of other municipal revenues to the special allocation fund shall be and remain  
73 enforceable.

74         3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection  
75 1 of this section, for redevelopment plans and projects adopted or redevelopment projects  
76 approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from  
77 taxes, penalties and interest which are imposed by the municipality or other taxing districts, and  
78 which are generated by economic activities within the area of the redevelopment project over the  
79 amount of such taxes generated by economic activities within the area of the redevelopment  
80 project in the calendar year prior to the adoption of the redevelopment project by ordinance,  
81 while tax increment financing remains in effect, but excluding personal property taxes, taxes  
82 imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels,  
83 taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation  
84 pursuant to section 94.660, licenses, fees or special assessments other than payments in lieu of  
85 taxes and penalties and interest thereon, or any sales tax imposed by a county with a charter form  
86 of government and with more than six hundred thousand but fewer than seven hundred thousand  
87 inhabitants, for the purpose of sports stadium improvement, shall be allocated to, and paid by the  
88 local political subdivision collecting officer to the treasurer or other designated financial officer  
89 of the municipality, who shall deposit such funds in a separate segregated account within the  
90 special allocation fund.

91         4. Beginning January 1, 1998, for redevelopment plans and projects adopted or  
92 redevelopment projects approved by ordinance and which have complied with subsections 4 to  
93 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes  
94 described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues,  
95 as defined in subsection 8 of this section, estimated for the businesses within the project area and  
96 identified by the municipality in the application required by subsection 10 of this section, over  
97 and above the amount of such taxes reported by businesses within the project area as identified  
98 by the municipality in their application prior to the approval of the redevelopment project by  
99 ordinance, while tax increment financing remains in effect, may be available for appropriation  
100 by the general assembly as provided in subsection 10 of this section to the department of  
101 economic development supplemental tax increment financing fund, from the general revenue  
102 fund, for distribution to the treasurer or other designated financial officer of the municipality  
103 with approved plans or projects.

104         5. The treasurer or other designated financial officer of the municipality with approved  
105 plans or projects shall deposit such funds in a separate segregated account within the special  
106 allocation fund established pursuant to section 99.805.

107           6. No transfer from the general revenue fund to the Missouri supplemental tax increment  
108 financing fund shall be made unless an appropriation is made from the general revenue fund for  
109 that purpose. No municipality shall commit any state revenues prior to an appropriation being  
110 made for that project. For all redevelopment plans or projects adopted or approved after  
111 December 23, 1997, appropriations from the new state revenues shall not be distributed from the  
112 Missouri supplemental tax increment financing fund into the special allocation fund unless the  
113 municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes  
114 and fifty percent of economic activity taxes generated by the project shall be used for eligible  
115 redevelopment project costs while tax increment financing remains in effect. This account shall  
116 be separate from the account into which payments in lieu of taxes are deposited, and separate  
117 from the account into which economic activity taxes are deposited.

118           7. In order for the redevelopment plan or project to be eligible to receive the revenue  
119 described in subsection 4 of this section, the municipality shall comply with the requirements of  
120 subsection 10 of this section prior to the time the project or plan is adopted or approved by  
121 ordinance. The director of the department of economic development and the commissioner of  
122 the office of administration may waive the requirement that the municipality's application be  
123 submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or  
124 project's approval by ordinance.

125           8. For purposes of this section, "new state revenues" means:

126           (1) The incremental increase in the general revenue portion of state sales tax revenues  
127 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated,  
128 taxes deposited to the school district trust fund in accordance with section 144.701, sales and use  
129 taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by  
130 law. In no event shall the incremental increase include any amounts attributable to retail sales  
131 unless the municipality or authority has proven to the Missouri development finance board and  
132 the department of economic development and such entities have made a finding that the sales  
133 tax increment attributable to retail sales is from new sources which did not exist in the state  
134 during the baseline year. The incremental increase in the general revenue portion of state sales  
135 tax revenues for an existing or relocated facility shall be the amount that current state sales tax  
136 revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan  
137 as provided in subsection 10 of this section; or

138           (2) The state income tax withheld on behalf of new employees by the employer pursuant  
139 to section 143.221 at the business located within the project as identified by the municipality.  
140 The state income tax withholding allowed by this section shall be the municipality's estimate of  
141 the amount of state income tax withheld by the employer within the redevelopment area for new  
142 employees who fill new jobs directly created by the tax increment financing project.

143           9. Subsection 4 of this section shall apply only to blighted areas located in enterprise  
144 zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment  
145 zones, or to blighted areas located in central business districts or urban core areas of cities which  
146 districts or urban core areas at the time of approval of the project by ordinance, provided that the  
147 enterprise zones, federal empowerment zones or blighted areas contained one or more buildings  
148 at least fifty years old; and

149           (1) Suffered from generally declining population or property taxes over the twenty-year  
150 period immediately preceding the area's designation as a project area by ordinance; or

151           (2) Was a historic hotel located in a county of the first classification without a charter  
152 form of government with a population according to the most recent federal decennial census in  
153 excess of one hundred fifty thousand and containing a portion of a city with a population  
154 according to the most recent federal decennial census in excess of three hundred fifty thousand.

155           10. The initial appropriation of up to fifty percent of the new state revenues authorized  
156 pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the  
157 department of economic development to a municipality until all of the following conditions have  
158 been satisfied:

159           (1) The director of the department of economic development or his or her designee and  
160 the commissioner of the office of administration or his or her designee have approved a tax  
161 increment financing application made by the municipality for the appropriation of the new state  
162 revenues. The municipality shall include in the application the following items in addition to the  
163 items in section 99.810:

164           (a) The tax increment financing district or redevelopment area, including the businesses  
165 identified within the redevelopment area;

166           (b) The base year of state sales tax revenues or the base year of state income tax withheld  
167 on behalf of existing employees, reported by existing businesses within the project area prior to  
168 approval of the redevelopment project;

169           (c) The estimate of the incremental increase in the general revenue portion of state sales  
170 tax revenue or the estimate for the state income tax withheld by the employer on behalf of new  
171 employees expected to fill new jobs created within the redevelopment area after redevelopment;

172           (d) The official statement of any bond issue pursuant to this subsection after  
173 December 23, 1997;

174           (e) An affidavit that is signed by the developer or developers attesting that the provisions  
175 of subdivision (1) of **subsection 1 of** section 99.810 have been met and specifying that the  
176 redevelopment area would not be reasonably anticipated to be developed without the  
177 appropriation of the new state revenues;

- 178 (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal  
179 impact on the state of Missouri; and
- 180 (g) The statement of election between the use of the incremental increase of the general  
181 revenue portion of the state sales tax revenues or the state income tax withheld by employers on  
182 behalf of new employees who fill new jobs created in the redevelopment area;
- 183 (h) The name, street and mailing address, and phone number of the mayor or chief  
184 executive officer of the municipality;
- 185 (i) The street address of the development site;
- 186 (j) The three-digit North American Industry Classification System number or numbers  
187 characterizing the development project;
- 188 (k) The estimated development project costs;
- 189 (l) The anticipated sources of funds to pay such development project costs;
- 190 (m) Evidence of the commitments to finance such development project costs;
- 191 (n) The anticipated type and term of the sources of funds to pay such development  
192 project costs;
- 193 (o) The anticipated type and terms of the obligations to be issued;
- 194 (p) The most recent equalized assessed valuation of the property within the development  
195 project area;
- 196 (q) An estimate as to the equalized assessed valuation after the development project area  
197 is developed in accordance with a development plan;
- 198 (r) The general land uses to apply in the development area;
- 199 (s) The total number of individuals employed in the development area, broken down by  
200 full-time, part-time, and temporary positions;
- 201 (t) The total number of full-time equivalent positions in the development area;
- 202 (u) The current gross wages, state income tax withholdings, and federal income tax  
203 withholdings for individuals employed in the development area;
- 204 (v) The total number of individuals employed in this state by the corporate parent of any  
205 business benefitting from public expenditures in the development area, and all subsidiaries  
206 thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time,  
207 and temporary positions;
- 208 (w) The number of new jobs to be created by any business benefitting from public  
209 expenditures in the development area, broken down by full-time, part-time, and temporary  
210 positions;
- 211 (x) The average hourly wage to be paid to all current and new employees at the project  
212 site, broken down by full-time, part-time, and temporary positions;



- 213 (y) For project sites located in a metropolitan statistical area, as defined by the federal  
214 Office of Management and Budget, the average hourly wage paid to nonmanagerial employees  
215 in this state for the industries involved at the project, as established by the United States Bureau  
216 of Labor Statistics;
- 217 (z) For project sites located outside of metropolitan statistical areas, the average weekly  
218 wage paid to nonmanagerial employees in the county for industries involved at the project, as  
219 established by the United States Department of Commerce;
- 220 (aa) A list of other community and economic benefits to result from the project;
- 221 (bb) A list of all development subsidies that any business benefitting from public  
222 expenditures in the development area has previously received for the project, and the name of  
223 any other granting body from which such subsidies are sought;
- 224 (cc) A list of all other public investments made or to be made by this state or units of  
225 local government to support infrastructure or other needs generated by the project for which the  
226 funding pursuant to this section is being sought;
- 227 (dd) A statement as to whether the development project may reduce employment at any  
228 other site, within or without the state, resulting from automation, merger, acquisition, corporate  
229 restructuring, relocation, or other business activity;
- 230 (ee) A statement as to whether or not the project involves the relocation of work from  
231 another address and if so, the number of jobs to be relocated and the address from which they  
232 are to be relocated;
- 233 (ff) A list of competing businesses in the county containing the development area and  
234 in each contiguous county;
- 235 (gg) A market study for the development area;
- 236 (hh) A certification by the chief officer of the applicant as to the accuracy of the  
237 development plan;
- 238 (2) The methodologies used in the application for determining the base year and  
239 determining the estimate of the incremental increase in the general revenue portion of the state  
240 sales tax revenues or the state income tax withheld by employers on behalf of new employees  
241 who fill new jobs created in the redevelopment area shall be approved by the director of the  
242 department of economic development or his or her designee and the commissioner of the office  
243 of administration or his or her designee. Upon approval of the application, the director of the  
244 department of economic development or his or her designee and the commissioner of the office  
245 of administration or his or her designee shall issue a certificate of approval. The department of  
246 economic development may request the appropriation following application approval;
- 247 (3) The appropriation shall be either a portion of the estimate of the incremental increase  
248 in the general revenue portion of state sales tax revenues in the redevelopment area or a portion

249 of the estimate of the state income tax withheld by the employer on behalf of new employees  
250 who fill new jobs created in the redevelopment area as indicated in the municipality's application,  
251 approved by the director of the department of economic development or his or her designee and  
252 the commissioner of the office of administration or his or her designee. At no time shall the  
253 annual amount of the new state revenues approved for disbursements from the Missouri  
254 supplemental tax increment financing fund exceed thirty-two million dollars;

255 (4) Redevelopment plans and projects receiving new state revenues shall have a duration  
256 of up to fifteen years, unless prior approval for a longer term is given by the director of the  
257 department of economic development or his or her designee and the commissioner of the office  
258 of administration or his or her designee; except that, in no case shall the duration exceed  
259 twenty-three years.

260 11. In addition to the areas authorized in subsection 9 of this section, the funding  
261 authorized pursuant to subsection 4 of this section shall also be available in a federally approved  
262 levee district, where construction of a levee begins after December 23, 1997, and which is  
263 contained within a county of the first classification without a charter form of government with  
264 a population between fifty thousand and one hundred thousand inhabitants which contains all  
265 or part of a city with a population in excess of four hundred thousand or more inhabitants.

266 12. There is hereby established within the state treasury a special fund to be known as  
267 the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the  
268 department of economic development. The department shall annually distribute from the  
269 Missouri supplemental tax increment financing fund the amount of the new state revenues as  
270 appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the  
271 conditions of subsection 10 of this section are met. The fund shall also consist of any gifts,  
272 contributions, grants or bequests received from federal, private or other sources. Moneys in the  
273 Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to  
274 state appropriations.

275 13. Redevelopment project costs may include, at the prerogative of the state, the portion  
276 of salaries and expenses of the department of economic development and the department of  
277 revenue reasonably allocable to each redevelopment project approved for disbursements from  
278 the Missouri supplemental tax increment financing fund for the ongoing administrative functions  
279 associated with such redevelopment project. Such amounts shall be recovered from new state  
280 revenues deposited into the Missouri supplemental tax increment financing fund created under  
281 this section.

282 14. For redevelopment plans or projects approved by ordinance that result in net new  
283 jobs from the relocation of a national headquarters from another state to the area of the  
284 redevelopment project, the economic activity taxes and new state tax revenues shall not be based

on a calculation of the incremental increase in taxes as compared to the base year or prior calendar year for such redevelopment project, rather the incremental increase shall be the amount of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.

**15. Beginning January 1, 2012, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 15 to 23 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2, and 3 of this section, up to fifty percent of the state disaster recovery revenues, as defined in subsection 19 of this section, estimated for the businesses within the project area and identified by the municipality in the application required by subsection 21 of this section, over and above the amount of such taxes reported by businesses within the project area as identified by the municipality in their application prior to the approval of the redevelopment project by ordinance, while tax increment financing remains in effect, may be available for appropriation by the general assembly as provided in subsection 21 of this section to the department of economic development supplemental disaster recovery fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with approved plans or projects.**

**16. The treasurer or other designated financial officer of the municipality with approved plans or projects shall deposit such funds in a separate segregated account within the special allocation fund established under section 99.805.**

**17. No transfer from the general revenue fund to the Missouri supplemental disaster recovery fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for that project. For all redevelopment plans or projects adopted or approved after January 1, 2011, appropriations from the state disaster recovery revenues shall not be distributed from the Missouri supplemental disaster recovery fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.**

**18. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 15 of this section, the municipality shall comply with the**

requirements of subsection 21 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's approval by ordinance.

19. For purposes of this section, "state disaster recovery revenues" means:

(1) The incremental increase in the general revenue portion of state sales tax revenues received under section 144.020, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law; and

(2) The state income tax withheld on behalf of employees by the employer under section 143.221 at businesses located within the project area as identified by the municipality.

20. Subsection 15 of this section shall apply only to redevelopment areas predominantly within disaster areas.

21. The initial appropriation of up to fifty percent of the state disaster recovery revenues authorized under subsections 15 and 16 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:

(1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the state disaster recovery revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:

(a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;

(b) The base year of state sales tax revenues and the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment project;

(c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue and the estimate for the incremental increase in the state income tax withheld by employers on behalf of employees filling jobs created within the redevelopment area after redevelopment;

(d) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri; and

- 357           (e) The name, street and mailing address, and phone number of the mayor or chief  
358 executive officer of the municipality;
- 359           (f) The three-digit North American Industry Classification System number or  
360 numbers characterizing the redevelopment project;
- 361           (g) The estimated redevelopment project costs;
- 362           (h) The anticipated sources of funds to pay such redevelopment project costs;
- 363           (i) Evidence of the commitments to finance such redevelopment project costs;
- 364           (j) The anticipated type and term of the sources of funds to pay such redevelopment  
365 project costs;
- 366           (k) The anticipated type and terms of the obligations to be issued;
- 367           (l) The most recent equalized assessed valuation of the property within the  
368 redevelopment project area;
- 369           (m) An estimate as to the equalized assessed valuation after the redevelopment  
370 project area is developed in accordance with a redevelopment plan;
- 371           (n) The general land uses to apply in the redevelopment area;
- 372           (o) The total number of individuals employed in the redevelopment area, broken  
373 down by full-time, part-time, and temporary positions;
- 374           (p) The total number of full-time equivalent positions in the redevelopment area;
- 375           (q) The current gross wages, state income tax withholdings, and federal income tax  
376 withholdings for individuals employed in the redevelopment area;
- 377           (r) A list of other community and economic benefits to result from the  
378 redevelopment project;
- 379           (s) A list of all other public investments made or to be made by the federal  
380 government, this state or units of local government to support infrastructure or other needs  
381 generated by the redevelopment project for which the funding under this section is being  
382 sought;
- 383           (t) A statement as to whether the redevelopment project may reduce employment  
384 at any other site, within or without the state, resulting from automation, merger,  
385 acquisition, corporate restructuring, relocation, or other business activity;
- 386           (u) A statement as to whether or not the redevelopment project involves the  
387 relocation of work from another address and if so, the number of jobs to be relocated and  
388 the address from which they are to be relocated;
- 389           (v) A market study for the redevelopment area;
- 390           (w) A certification by the chief officer of the applicant as to the accuracy of the  
391 redevelopment plan;

392           (2) The methodologies used in the application for determining the base year and  
393 determining the estimate of the incremental increase in the general revenue portion of the  
394 state sales tax revenues and the state income tax withheld by employers on behalf of  
395 employees filling jobs within the redevelopment area shall be approved by the director of  
396 the department of economic development or his or her designee and the commissioner of  
397 the office of administration or his or her designee. Upon approval of the application, the  
398 director of the department of economic development or his or her designee and the  
399 commissioner of the office of administration or his or her designee shall issue a certificate  
400 of approval, which shall provide for a maximum amount of state disaster recovery  
401 revenues available to the municipality for the duration of the redevelopment plans and  
402 projects as determined in accordance with subdivision (4) of this subsection. The  
403 department of economic development may request the appropriation following application  
404 approval;

405           (3) The appropriation shall be both a portion of the estimate of the incremental  
406 increase in the general revenue portion of state sales tax revenues in the redevelopment  
407 area and a portion of the estimate of the state income tax withheld by the employer on  
408 behalf of employees filling jobs within the redevelopment area as indicated in the  
409 municipality's application, approved by the director of the department of economic  
410 development or his or her designee and the commissioner of the office of administration  
411 or his or her designee;

412           (4) Redevelopment plans and projects receiving state disaster recovery revenues  
413 shall have a duration of up to fifteen years, unless prior approval for a longer term is given  
414 by the director of the department of economic development or his or her designee and the  
415 commissioner of the office of administration or his or her designee; except that, in no case  
416 shall the duration exceed twenty-three years.

417           22. There is hereby established within the state treasury a special fund to be known  
418 as the "Missouri Supplemental Disaster Recovery Fund", to be administered by the  
419 department of economic development. The department of economic development shall  
420 create a separate subaccount of the Missouri supplemental disaster recovery fund for each  
421 redevelopment project approved under subsections 15 to 21 of this section, into which the  
422 state disaster recovery revenues attributable to each such redevelopment project shall be  
423 deposited at least annually. The department shall annually distribute to each municipality  
424 from the corresponding subaccount of the Missouri supplemental disaster recovery fund  
425 the amount of the state disaster recovery revenues as appropriated to each municipality  
426 as provided in the provisions of subsections 15 and 16 of this section if and only if such  
427 municipality has met the conditions of subsection 21 of this section. The fund shall also

consist of any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys in the Missouri supplemental disaster recovery fund shall be disbursed per project pursuant to state appropriations. Any moneys remaining in the Missouri supplemental disaster recovery fund at the end of any fiscal year shall not lapse to the general revenue fund, as provided for in section 33.080, but shall remain in the Missouri supplemental disaster recovery fund.

23. Notwithstanding anything to the contrary in subsections 15 to 22 of this section, the department of economic development may request an appropriation for any given fiscal year from the general fund to a particular subaccount of the Missouri supplemental disaster recovery fund in excess of the amount of state disaster recovery revenues estimated to be generated within the applicable redevelopment project in the calendar year immediately preceding such fiscal year, so long as the total amount of appropriations to such subaccount of the Missouri supplemental disaster recovery fund does not exceed the maximum amount provided for in the certificate of approval issued pursuant to subsection 19 of this section.

24. Redevelopment project costs may include, at the prerogative of the state, the portion of salaries and expenses of the department of economic development and the department of revenue reasonably allocable to each redevelopment project approved for disbursements from the Missouri supplemental disaster recovery fund for the ongoing administrative functions associated with such redevelopment project. Such amounts shall be recovered from state disaster recovery revenues deposited into the Missouri supplemental disaster recovery fund created under this section.

99.865. 1. Each year the governing body of the municipality, or its designee, shall prepare a report concerning the status of each redevelopment plan and redevelopment project, and shall submit a copy of such report to the director of the department of economic development. The report shall include the following:

- (1) The amount and source of revenue in the special allocation fund;
- (2) The amount and purpose of expenditures from the special allocation fund;
- (3) The amount of any pledge of revenues, including principal and interest on any outstanding bonded indebtedness;
- (4) The original assessed value of the redevelopment project;
- (5) The assessed valuation added to the redevelopment project;
- (6) Payments made in lieu of taxes received and expended;
- (7) The economic activity taxes generated within the redevelopment area in the calendar year prior to the approval of the redevelopment plan, to include **the following:**

14           **(a) For redevelopment plans and redevelopment projects adopted or redevelopment**  
15 **projects approved by ordinance and which have complied with subsections 4 to 12 of**  
16 **section 99.845, a separate entry for the state sales tax revenue base for the redevelopment area**  
17 **or the state income tax withheld by employers on behalf of existing employees in the**  
18 **redevelopment area prior to the redevelopment plan; or**

19           **(b) For redevelopment plans and redevelopment projects adopted or redevelopment**  
20 **projects approved by ordinance and which have complied with subsections 15 to 23 of**  
21 **section 99.845, a separate entry for the state sales tax revenue base for the redevelopment**  
22 **area and the state income tax withheld by employers on behalf of existing employees in the**  
23 **redevelopment area prior to the redevelopment plan;**

24           (8) The economic activity taxes generated within the redevelopment area after the  
25 approval of the redevelopment plan, to include **the following:**

26           **(a) For redevelopment plans and redevelopment projects adopted or redevelopment**  
27 **projects approved by ordinance and which have complied with subsections 4 to 12 of**  
28 **section 99.845, a separate entry for the increase in state sales tax revenues for the redevelopment**  
29 **area or the increase in state income tax withheld by employers on behalf of new employees who**  
30 **fill new jobs created in the redevelopment area; or**

31           **(b) For redevelopment plans and redevelopment projects adopted or redevelopment**  
32 **projects approved by ordinance and which have complied with subsections 15 to 23 of**  
33 **section 99.845, a separate entry for the increase in state sales tax revenues for the**  
34 **redevelopment area and the increase in state income tax withheld by employers on behalf**  
35 **of employees filling jobs within the redevelopment area;**

36           (9) Reports on contracts made incident to the implementation and furtherance of a  
37 redevelopment plan or project;

38           (10) A copy of any redevelopment plan, which shall include the required findings and  
39 cost-benefit analysis pursuant to subdivisions (1) to (6) of section 99.810;

40           (11) The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired  
41 or remodeled;

42           (12) The number of parcels acquired by or through initiation of eminent domain  
43 proceedings; and

44           (13) Any additional information the municipality deems necessary.

45           2. Data contained in the report mandated pursuant to the provisions of subsection 1 of  
46 this section and any information regarding amounts disbursed to municipalities pursuant to the  
47 provisions of section 99.845 shall be deemed a public record, as defined in section 610.010. An  
48 annual statement showing the payments made in lieu of taxes received and expended in that year,  
49 the status of the redevelopment plan and projects therein, amount of outstanding bonded



50 indebtedness and any additional information the municipality deems necessary shall be published  
51 in a newspaper of general circulation in the municipality.

52 3. Five years after the establishment of a redevelopment plan and every five years  
53 thereafter the governing body shall hold a public hearing regarding those redevelopment plans  
54 and projects created pursuant to sections 99.800 to 99.865. The purpose of the hearing shall be  
55 to determine if the redevelopment project is making satisfactory progress under the proposed  
56 time schedule contained within the approved plans for completion of such projects.

57 Notice of such public hearing shall be given in a newspaper of general circulation in the area  
58 served by the commission once each week for four weeks immediately prior to the hearing.

59 4. The director of the department of economic development shall submit a report to the  
60 state auditor, the speaker of the house of representatives, and the president pro tem of the senate  
61 no later than February first of each year. The report shall contain a summary of all information  
62 received by the director pursuant to this section.

63 5. For the purpose of coordinating all tax increment financing projects using new state  
64 revenues **or state disaster recovery revenues**, the director of the department of economic  
65 development may promulgate rules and regulations to ensure compliance with this section. Such  
66 rules and regulations may include methods for enumerating all of the municipalities which have  
67 established commissions pursuant to section 99.820. No rule or portion of a rule promulgated  
68 under the authority of sections 99.800 to 99.865 shall become effective unless it has been  
69 promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior  
70 to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall  
71 be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997,  
72 if such rule complied with the provisions of chapter 536. The provisions of this section and  
73 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
74 to chapter 536, including the ability to review, to delay the effective date, or to disapprove and  
75 annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant  
76 of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall  
77 be invalid and void.

78 6. The department of economic development shall provide information and technical  
79 assistance, as requested by any municipality, on the requirements of sections 99.800 to 99.865.  
80 Such information and technical assistance shall be provided in the form of a manual, written in  
81 an easy-to-follow manner, and through consultations with departmental staff.

82 7. Any municipality which fails to comply with the reporting requirements provided in  
83 this section shall be prohibited from implementing any new tax increment finance project for a  
84 period of no less than five years from such municipality's failure to comply.

85           8. Based upon the information provided in the reports required under the provisions of  
86 this section, the state auditor shall make available for public inspection on the auditor's website,  
87 a searchable electronic database of such municipal tax increment finance reports. All  
88 information contained within such database shall be maintained for a period of no less than ten  
89 years from initial posting.

          105.716. 1. Any investigation, defense, negotiation, or compromise of any claim  
2 covered by sections 105.711 to 105.726 shall be conducted by the attorney general; provided,  
3 that in the case of any claim against the department of conservation, the department of  
4 transportation or a public institution which awards baccalaureate degrees, or any officer or  
5 employee of such department or such institution, any investigation, defense, negotiation, or  
6 compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by legal  
7 counsel provided by the respective entity against which the claim is made or which employs the  
8 person against whom the claim is made.

9 In the case of any payment from the state legal expense fund based upon a claim or judgment  
10 against the department of conservation, the department of transportation or any officer or  
11 employee thereof, the department so affected shall immediately transfer to the state legal expense  
12 fund from the department funds a sum equal to the amount expended from the state legal expense  
13 fund on its behalf.

14           2. All persons and entities protected by the state legal expense fund shall cooperate with  
15 the attorneys conducting any investigation and preparing any defense under the provisions of  
16 sections 105.711 to 105.726 by assisting such attorneys in all respects, including the making of  
17 settlements, the securing and giving of evidence, and the attending and obtaining witness to  
18 attend hearings and trials. Funds in the state legal expense fund shall not be used to pay claims  
19 and judgments against those persons and entities who do not cooperate as required by this  
20 subsection.

21           3. The provisions of sections 105.711 to 105.726 notwithstanding, the attorney general  
22 may investigate, defend, negotiate, or compromise any claim covered by sections 105.711 to  
23 105.726 against any public institution which awards baccalaureate degrees whose governing  
24 body has declared a state of financial exigency.

25           4. Notwithstanding the provisions of subsection 2 of section 105.711, funds in the state  
26 legal expense fund may be expended prior to the payment of any claim or any final judgment to  
27 pay costs of defense, including reasonable attorney's fees for retention of legal counsel, when the  
28 attorney general determines that a conflict exists or particular expertise is required, and also to  
29 pay for related legal expenses including medical examination fees, expert witness fees, court  
30 reporter expenses, travel costs and ancillary legal expenses incurred prior to the payment of a  
31 claim or any final judgment.

32           **5. Notwithstanding any other provision of law to the contrary, except for payments**  
33 **of less than ten thousand dollars for property damage, no funds shall be expended from**  
34 **the state legal expense fund for settlement of any liability claim except upon the production**  
35 **of a no tax due statement from the department of revenue by the party making claim or**  
36 **having judgment under section 105.711, which shall be satisfied from such fund. If the**  
37 **party is found by the director of revenue to owe a delinquent tax debt to the state of**  
38 **Missouri under the revenue laws of this state, after the payment of attorneys fees and**  
39 **expenses associated with liability of the fund to the party, any remaining funds to be paid**  
40 **to the party from the state legal expense fund shall be offset to satisfy such tax debt before**  
41 **payment is made to the party making claim or having judgment.**

**140.910. 1. In addition to any other remedy provided by law for the collection of**  
2 **delinquent taxes due the state of Missouri, if the director has filed a certificate of lien in the**  
3 **circuit court as provided by section 143.902, 144.380, or 144.690, the director or his or her**  
4 **designee may issue an order directing any person, after the payment of attorney fees and**  
5 **expenses associated with creating the proceeds belonging to, due to, or to become due to**  
6 **the taxpayer, to withhold and pay over to the department assets belonging to, due, or to**  
7 **become due the taxpayer. The director or his or her designee shall not issue the**  
8 **administrative garnishment if the taxpayer has entered into a written agreement with the**  
9 **department for an alternative payment arrangement and the taxpayer is in compliance**  
10 **with the agreement.**

11           **2. An order entered under this section shall be served on the person or other legal**  
12 **entity either by regular mail or by certified mail, return receipt requested, or may be issued**  
13 **through electronic means, and shall be binding on the employer or other payor two weeks**  
14 **after mailing or electronic issuance of such service. The person or other entity in**  
15 **possession of assets belonging to, due, or to become due the taxpayer may deduct an**  
16 **additional sum not to exceed six dollars per month as reimbursement for costs, except that**  
17 **the total amount withheld shall not exceed the limitations contained in the federal**  
18 **Consumer Credit Protection Act, 15 U.S.C. Section 1673, as amended.**

19           **3. A copy of the order shall be mailed to the taxpayer at the taxpayer's last known**  
20 **address. The notice shall advise the taxpayer that the administrative garnishment has**  
21 **commenced and the procedures to contest such garnishment on the grounds that such**  
22 **garnishment is improper due to a mistake of fact by requesting a hearing within thirty**  
23 **days from mailing or electronic issuance of the notice. At such a hearing the certified**  
24 **records of the department shall constitute prima facie evidence that the director's order**  
25 **is valid and enforceable. If a prima facie case is established, the obligor may only assert**  
26 **as a defense mistake as to the identity of the taxpayer, mistake as to payments made, or**

27 existence of an alternative payment agreement for which no default has occurred. The  
28 taxpayer shall have the burden of proof on such issues. The taxpayer may obtain relief  
29 from the garnishment by paying the amount owed.

30 4. An employer or other payor shall withhold from the earnings or other income  
31 of each taxpayer the amount specified in the order. The employer or other payor shall  
32 transmit the payments as directed in the order within ten business days of the date the  
33 earnings, money due, or other income was payable to the taxpayer. For purposes of this  
34 section, "business day" means a day that state offices are open for regular business. The  
35 employer or other payor shall, along with the amounts transmitted, provide the date the  
36 amount was withheld from the taxpayer.

37 5. An order issued under subsection 1 of this section shall be a continuing order and  
38 shall remain in effect and be binding upon any employer or other payor upon whom it is  
39 directed until a further order of the director. The director shall notify an employer or  
40 other payor upon whom such an order has been directed whenever the deficiency is paid  
41 in full.

42 6. If the order is served on a person other than an employer or other payor, it shall  
43 be a lien against any money belonging to the taxpayer that is in the possession of the person  
44 on the date of service. The person other than an employer or other payor shall pay over  
45 any assets within ten business days of the service date of the order. A financial institution  
46 ordered to surrender an account shall be entitled to collect its normally scheduled account  
47 activity surcharges to maintain the account during the period of time the account is  
48 garnished. For purposes of this section, the interest of the taxpayer in any joint financial  
49 accounts shall be presumed to be equal to all other joint owners.

50 7. An order issued under subsection 1 of this section shall have priority over any  
51 other legal process under state law against the same income or other asset, except that  
52 where the other legal process is an order issued under section 452.350, 454.505, or 454.507,  
53 the withholding for child support shall have priority.

54 8. No person who complies with an order entered under this section shall be liable  
55 to the taxpayer, or to any other person claiming rights derived from the taxpayer, for  
56 wrongful withholding. A person who fails or refuses to withhold or pay the amounts as  
57 ordered under this section shall be liable to the state in a sum equal to the value of the  
58 wages or property not surrendered, but not to exceed the amount of tax deficiency. The  
59 director is hereby authorized to bring an action in circuit court to determine the liability  
60 of a person for failure to withhold or pay the amounts as ordered. If a court finds that a  
61 violation has occurred, the court may fine the person in an amount not to exceed five  
62 hundred dollars. The court may also enter a judgment against the person or other legal

63 entity for the amounts to be withheld or paid, court costs, and reasonable attorney's  
64 charges.

65       **9. The remedy provided by this section shall be available where the state or any of**  
66 **its political subdivisions is the employer or other payor of the taxpayer in the same manner**  
67 **and to the same extent as where the employer or other payor is a private party.**

68       **10. An employer shall not discharge, or refuse to hire or otherwise discipline, an**  
69 **employee as a result of an order to withhold and pay over certain money authorized by this**  
70 **section. If any such employee is discharged within thirty days of the date upon which an**  
71 **order to withhold and pay over certain money is to take effect, there shall arise a**  
72 **rebuttable presumption that such discharge was a result of such order. This presumption**  
73 **shall be overcome only by clear, cogent and convincing evidence produced by the employer**  
74 **that the employee was not terminated because of the order to withhold and pay over**  
75 **certain money. The director or his or her designee is hereby authorized to bring an action**  
76 **in circuit court to determine whether the discharge constitutes a violation of this**  
77 **subsection. If the court finds that a violation has occurred, the court may enter an order**  
78 **against the employer requiring reinstatement of the employee and may fine the employer**  
79 **in an amount not to exceed five hundred dollars. Further, the court may enter judgment**  
80 **against the employer for the back wages, costs, attorney's surcharges, and for the amount**  
81 **of taxes that should have been withheld and paid over during the period of time the**  
82 **employee was wrongfully discharged.**

83       **11. If a taxpayer for whom an order to withhold has been issued under subsection**  
84 **1 of this section terminates the taxpayer's employment, the employer shall, within ten days**  
85 **of the termination, notify the department of the termination, shall provide to the**  
86 **department the last known address of the taxpayer, if known to the employer, and shall**  
87 **provide to the department the name and address of the taxpayer's new employer, if known.**  
88 **The director or his or her designee may issue an order to the new employer as provided in**  
89 **subsection 1 of this section.**

90       **12. For purposes of this section, "assets" include, but are not limited to, currency,**  
91 **any financial account or other liquid asset, and any income or other periodic form of**  
92 **payment due to a taxpayer regardless of source, including, but not limited to, wages,**  
93 **salaries, commissions, bonuses, workers' compensation benefits, disability benefits,**  
94 **payments pursuant to a pension or a retirement program, and interest.**

144.083. 1. The director of revenue shall require all persons who are responsible for the  
2 collection of taxes under the provisions of section 144.080 to procure a retail sales license at no  
3 cost to the licensee which shall be prominently displayed at the licensee's place of business, and  
4 the license is valid until revoked by the director or surrendered by the person to whom issued

5 when sales are discontinued. The director shall issue the retail sales license within ten working  
6 days following the receipt of a properly completed application. Any person applying for a retail  
7 sales license or reinstatement of a revoked sales tax license who owes any tax under sections  
8 144.010 to 144.510 or sections 143.191 to 143.261 must pay the amount due plus interest and  
9 penalties before the department may issue the applicant a license or reinstate the revoked license.  
10 All persons beginning business subsequent to August 13, 1986, and who are required to collect  
11 the sales tax shall secure a retail sales license prior to making sales at retail. Such license may,  
12 after ten days' notice, be revoked by the director of revenue only in the event the licensee shall  
13 be in default for a period of sixty days in the payment of any taxes levied under section 144.020  
14 or sections 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event  
15 of revocation, the director of revenue may publish the status of the business account including  
16 the date of revocation in a manner as determined by the director.

17       2. The possession of a retail sales license and a statement from the department of revenue  
18 that the licensee owes no tax due under [ sections 144.010 to 144.510 or sections 143.191 to  
19 143.261] **section 32.088** shall be a prerequisite to the issuance or renewal of any city or county  
20 occupation license or any state license which is required for conducting any business [where  
21 goods are sold at retail]. The date of issuance on the statement that the licensee owes no tax due  
22 shall be no more than ninety days before the date of submission for application or renewal of the  
23 local license. The revocation of a retailer's license by the director shall render the occupational  
24 license or the state license null and void.

25       3. No person responsible for the collection of taxes under section 144.080 shall make  
26 sales at retail unless such person is the holder of a valid retail sales license. After all appeals  
27 have been exhausted, the director of revenue may notify the county or city law enforcement  
28 agency representing the area in which the former licensee's business is located that the retail sales  
29 license of such person has been revoked, and that any county or city occupation license of such  
30 person is also revoked. The county or city may enforce the provisions of this section, and may  
31 prohibit further sales at retail by such person.

32       4. In addition to the provisions of subsection 2 of this section, beginning January 1,  
33 2009, **and until December 31, 2011**, the possession of a statement from the department of  
34 revenue stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to 144.510  
35 shall also be a prerequisite to the issuance or renewal of any city or county occupation license  
36 or any state license required for conducting any business where goods are sold at retail. The  
37 statement of no tax due shall be dated no longer than ninety days before the date of submission  
38 for application or renewal of the city or county license.

39           5. Notwithstanding any law or rule to the contrary, sales tax shall only apply to the sale  
40 price paid by the final purchaser and not to any off-invoice discounts or other pricing discounts  
41 or mechanisms negotiated between manufacturers, wholesalers, and retailers.

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