

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 112, Page 20, Section 135.680, Line 355,
2 by inserting after all of said section the following:

3 "142.815. 1. Motor fuel used for the following nonhighway purposes is exempt from the
4 fuel tax imposed by this chapter, and a refund may be claimed by the consumer, except as provided
5 for in subdivision (1) of this subsection, if the tax has been paid and no refund has been previously
6 issued:

7 (1) Motor fuel used for nonhighway purposes including fuel for farm tractors or stationary
8 engines owned or leased and operated by any person and used exclusively for agricultural purposes
9 and including, beginning January 1, 2006, bulk sales of one hundred gallons or more of gasoline
10 made to farmers and delivered by the ultimate vender to a farm location for agricultural purposes
11 only. As used in this section, the term "farmer" shall mean any person engaged in farming in an
12 authorized farm corporation, family farm, or family farm corporation as defined in section 350.010.
13 At the discretion of the ultimate vender, the refund may be claimed by the ultimate vender on behalf
14 of the consumer for sales made to farmers and to persons engaged in construction for agricultural
15 purposes as defined in section 142.800. After December 31, 2000, the refund may be claimed only
16 by the consumer and may not be claimed by the ultimate vender unless bulk sales of gasoline are
17 made to a farmer after January 1, 2006, as provided in this subdivision and the farmer provides an
18 exemption certificate to the ultimate vender, in which case the ultimate vender may make a claim for
19 refund under section 142.824 but shall be liable for any erroneous refund;

20 (2) Kerosene sold for use as fuel to generate power in aircraft engines, whether in aircraft or
21 for training, testing or research purposes of aircraft engines;

22 (3) Diesel fuel used as heating oil, or in railroad locomotives or any other motorized
23 flanged-wheel rail equipment, or used for other nonhighway purposes other than as expressly
24 exempted pursuant to another provision.

25 2. Subject to the procedural requirements and conditions set out in this chapter, the following
26 uses are exempt from the tax imposed by section 142.803 on motor fuel, and a deduction or a refund
27 may be claimed:

28 (1) Motor fuel for which proof of export is available in the form of a terminal-issued
29 destination state shipping paper and which is either:

30 (a) Exported by a supplier who is licensed in the destination state or through the bulk
31 transfer system;

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1 (b) Removed by a licensed distributor for immediate export to a state for which all the
2 applicable taxes and fees (however nominated in that state) of the destination state have been paid to
3 the supplier, as a trustee, who is licensed to remit tax to the destination state; or which is destined for
4 use within the destination state by the federal government for which an exemption has been made
5 available by the destination state subject to procedural rules and regulations promulgated by the
6 director; or

7 (c) Acquired by a licensed distributor and which the tax imposed by this chapter has
8 previously been paid or accrued either as a result of being stored outside of the bulk transfer system
9 immediately prior to loading or as a diversion across state boundaries properly reported in
10 conformity with this chapter and was subsequently exported from this state on behalf of the
11 distributor; The exemption pursuant to paragraph (a) of this subdivision shall be claimed by a
12 deduction on the report of the supplier which is otherwise responsible for remitting the tax upon
13 removal of the product from a terminal or refinery in this state. The exemption pursuant to
14 paragraphs (b) and (c) of this subdivision shall be claimed by the distributor, upon a refund
15 application made to the director within three years. A refund claim may be made monthly or
16 whenever the claim exceeds one thousand dollars;

17 (2) Undyed K-1 kerosene sold at retail through dispensers which have been designed and
18 constructed to prevent delivery directly from the dispenser into a vehicle fuel supply tank, and
19 undyed K-1 kerosene sold at retail through nonbarricaded dispensers in quantities of not more than
20 twenty-one gallons for use other than for highway purposes. Exempt use of undyed kerosene shall
21 be governed by rules and regulations of the director. If no rules or regulations are promulgated by
22 the director, then the exempt use of undyed kerosene shall be governed by rules and regulations of
23 the Internal Revenue Service. A distributor or supplier delivering to a retail facility shall obtain an
24 exemption certificate from the owner or operator of such facility stating that its sales conform to the
25 dispenser requirements of this subdivision. A licensed distributor, having obtained such certificate,
26 may provide a copy to his or her supplier and obtain undyed kerosene without the tax levied by
27 section 142.803. Having obtained such certificate in good faith, such supplier shall be relieved of
28 any responsibility if the fuel is later used in a taxable manner. An ultimate vendor who obtained
29 undyed kerosene upon which the tax levied by section 142.803 had been paid and makes sales
30 qualifying pursuant to this subsection may apply for a refund of the tax pursuant to application, as
31 provided in section 142.818, to the director provided the ultimate vendor did not charge such tax to
32 the consumer;

33 (3) Motor fuel sold to the United States or any agency or instrumentality thereof. This
34 exemption shall be claimed as provided in section 142.818;

35 (4) Motor fuel used solely and exclusively as fuel to propel motor vehicles on the public
36 roads and highways of this state when leased or owned and when being operated by a federally
37 recognized Indian tribe in the performance of essential governmental functions, such as providing
38 police, fire, health or water services. The exemption for use pursuant to this subdivision shall be
39 made available to the tribal government upon a refund application stating that the motor fuel was
40 purchased for the exclusive use of the tribe in performing named essential governmental services;

41 (5) That portion of motor fuel used to operate equipment attached to a motor vehicle, if the

1 motor fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir
 2 for travel on a highway and for the operation of equipment, or if the motor fuel was placed in a
 3 separate fuel tank and used only for the operation of auxiliary equipment. The exemption for use
 4 pursuant to this subdivision shall be claimed by a refund claim filed by the consumer who shall
 5 provide evidence of an allocation of use satisfactory to the director;

6 (6) Motor fuel acquired by a consumer out-of-state and carried into this state, retained within
 7 and consumed from the same vehicle fuel supply tank within which it was imported, except interstate
 8 motor fuel users;

9 (7) Motor fuel which was purchased tax-paid and which was lost or destroyed as a direct
 10 result of a sudden and unexpected casualty or which had been accidentally contaminated so as to be
 11 unsalable as highway fuel as shown by proper documentation as required by the director. The
 12 exemption pursuant to this subdivision shall be refunded to the person or entity owning the motor
 13 fuel at the time of the contamination or loss. Such person shall notify the director in writing of such
 14 event and the amount of motor fuel lost or contaminated within ten days from the date of discovery
 15 of such loss or contamination, and within thirty days after such notice, shall file an affidavit sworn to
 16 by the person having immediate custody of such motor fuel at the time of the loss or contamination,
 17 setting forth in full the circumstances and the amount of the loss or contamination and such other
 18 information with respect thereto as the director may require;

19 (8) Dyed diesel fuel or dyed kerosene used for an exempt purpose. This exemption shall be
 20 claimed as follows:

21 (a) A supplier or importer shall take a deduction against motor fuel tax owed on their
 22 monthly report for those gallons of dyed diesel fuel or dyed kerosene imported or removed from a
 23 terminal or refinery destined for delivery to a point in this state as shown on the shipping papers;

24 (b) This exemption shall be claimed by a deduction on the report of the supplier which is
 25 otherwise responsible for remitting the tax on removal of the product from a terminal or refinery in
 26 this state;

27 (c) This exemption shall be claimed by the distributor, upon a refund application made to the
 28 director within three years. A refund claim may be made monthly or whenever the claim exceeds
 29 one thousand dollars.

30 (9) Motor fuel delivered to any marina within this state that sells such fuel solely for use in
 31 any watercraft, as such term is defined in section 306.010, and not accessible to other motor vehicles,
 32 is exempt from the fuel tax imposed by this chapter. Any motor fuel distributor that delivers motor
 33 fuel to any marina in this state for use solely in any watercraft, as such term is defined in section
 34 306.010, may claim the exemption provided in this subsection. Any motor fuel customer who
 35 purchases motor fuel for use in any watercraft, as such term is defined in section 306.010, at a
 36 location other than a marina within this state may claim the exemption provided in this subsection by
 37 filing a claim for refund of the fuel tax.

38 144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010
 39 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections
 40 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other
 41 state of the United States, or between this state and any foreign country, and any retail sale which the

1 state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States
2 of America, and such retail sales of tangible personal property which the general assembly of the
3 state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

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

8 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such
9 excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in
10 manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold
11 ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are
12 to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used
13 for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to
14 livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered
15 pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310)
16 which are to be used in connection with the growth or production of crops, fruit trees or orchards
17 applied before, during, or after planting, the crop of which when harvested will be sold at retail or
18 will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

19 (2) Materials, manufactured goods, machinery and parts which when used in manufacturing,
20 processing, compounding, mining, producing or fabricating become a component part or ingredient
21 of the new personal property resulting from such manufacturing, processing, compounding, mining,
22 producing or fabricating and which new personal property is intended to be sold ultimately for final
23 use or consumption; and materials, including without limitation, gases and manufactured goods,
24 including without limitation slagging materials and firebrick, which are ultimately consumed in the
25 manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part,
26 component parts or ingredients of steel products intended to be sold ultimately for final use or
27 consumption;

28 (3) Materials, replacement parts and equipment purchased for use directly upon, and for the
29 repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or
30 aircraft engaged as common carriers of persons or property;

31 (4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled
32 by such motor vehicles, that are actually used in the normal course of business to haul property on
33 the public highways of the state, and that are capable of hauling loads commensurate with the motor
34 vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use
35 directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of
36 this subdivision "motor vehicle" and "public highway" shall have the meaning as ascribed in section
37 390.020;

38 (5) Replacement machinery, equipment, and parts and the materials and supplies solely
39 required for the installation or construction of such replacement machinery, equipment, and parts,
40 used directly in manufacturing, mining, fabricating or producing a product which is intended to be
41 sold ultimately for final use or consumption; and machinery and equipment, and the materials and

1 supplies required solely for the operation, installation or construction of such machinery and
2 equipment, purchased and used to establish new, or to replace or expand existing, material recovery
3 processing plants in this state. For the purposes of this subdivision, a "material recovery processing
4 plant" means a facility that has as its primary purpose the recovery of materials into a useable
5 product or a different form which is used in producing a new product and shall include a facility or
6 equipment which are used exclusively for the collection of recovered materials for delivery to a
7 material recovery processing plant but shall not include motor vehicles used on highways. For
8 purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant
9 to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or
10 the use of a product previously recovered. The material recovery processing plant shall qualify
11 under the provisions of this section regardless of ownership of the material being recovered;

12 (6) Machinery and equipment, and parts and the materials and supplies solely required for
13 the installation or construction of such machinery and equipment, purchased and used to establish
14 new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery
15 and equipment is used directly in manufacturing, mining or fabricating a product which is intended
16 to be sold ultimately for final use or consumption;

17 (7) Tangible personal property which is used exclusively in the manufacturing, processing,
18 modification or assembling of products sold to the United States government or to any agency of the
19 United States government;

20 (8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

21 (9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other
22 machinery, equipment, replacement parts and supplies used in producing newspapers published for
23 dissemination of news to the general public;

24 (10) The rentals of films, records or any type of sound or picture transcriptions for public
25 commercial display;

26 (11) Pumping machinery and equipment used to propel products delivered by pipelines
27 engaged as common carriers;

28 (12) Railroad rolling stock for use in transporting persons or property in interstate commerce
29 and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers
30 used by common carriers, as defined in section 390.020, in the transportation of persons or property;

31 (13) Electrical energy used in the actual primary manufacture, processing, compounding,
32 mining or producing of a product, or electrical energy used in the actual secondary processing or
33 fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of
34 this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so
35 used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the
36 cost of electrical energy so used or if the raw materials used in such processing contain at least
37 twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable
38 presumption that the raw materials used in the primary manufacture of automobiles contain at least
39 twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any
40 mode of treatment, act or series of acts performed upon materials to transform and reduce them to a
41 different state or thing, including treatment necessary to maintain or preserve such processing by the

1 producer at the production facility;

2 (14) Anodes which are used or consumed in manufacturing, processing, compounding,
3 mining, producing or fabricating and which have a useful life of less than one year;

4 (15) Machinery, equipment, appliances and devices purchased or leased and used solely for
5 the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely
6 required for the installation, construction or reconstruction of such machinery, equipment, appliances
7 and devices;

8 (16) Machinery, equipment, appliances and devices purchased or leased and used solely for
9 the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely
10 required for the installation, construction or reconstruction of such machinery, equipment, appliances
11 and devices;

12 (17) Tangible personal property purchased by a rural water district;

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

19 (19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980,
20 by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965,
21 including the items specified in Section 1862(a)(12) of that act, and also specifically including
22 hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a
23 licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those
24 items, including samples and materials used to manufacture samples which may be dispensed by a
25 practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home
26 respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or
27 rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille
28 equipment and, if purchased or rented by or on behalf of a person with one or more physical or
29 mental disabilities to enable them to function more independently, all sales or rental of scooters,
30 reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative
31 communication devices, and items used solely to modify motor vehicles to permit the use of such
32 motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs
33 to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the
34 over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as
35 prescribed by a health care practitioner licensed to prescribe;

36 (20) All sales made by or to religious and charitable organizations and institutions in their
37 religious, charitable or educational functions and activities and all sales made by or to all elementary
38 and secondary schools operated at public expense in their educational functions and activities;

39 (21) All sales of aircraft to common carriers for storage or for use in interstate commerce
40 and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including
41 fraternal organizations which have been declared tax-exempt organizations pursuant to Section

501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

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

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

(a) Used exclusively for agricultural purposes;

(b) Used on land owned or leased for the purpose of producing farm products; and

(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

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

1 domestic use:

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

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

19 (c) Each person making domestic use purchases of services or property and who uses any
20 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of
21 the fourth month following the year of purchase, and without assessment, notice or demand, file a
22 return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic
23 purchases of services or property and who uses any portion of the services or property so purchased
24 for domestic use, and each person making domestic purchases on behalf of occupants of residential
25 apartments or condominiums through a single or master meter, including service for common areas
26 and facilities and vacant units, under a nonresidential utility service rate classification may, between
27 the first day of the first month and the fifteenth day of the fourth month following the year of
28 purchase, apply for credit or refund to the director of revenue and the director shall give credit or
29 make refund for taxes paid on the domestic use portion of the purchase. The person making such
30 purchases on behalf of occupants of residential apartments or condominiums shall have standing to
31 apply to the director of revenue for such credit or refund;

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

35 (26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081,
36 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue
37 shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such
38 excise taxes;

39 (27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels
40 which are used primarily in or for the transportation of property or cargo, or the conveyance of
41 persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is

1 delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such
2 river;

3 (28) All sales made to an interstate compact agency created pursuant to sections 70.370 to
4 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency
5 as provided pursuant to the compact;

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

10 (30) All livestock sales when either the seller is engaged in the growing, producing or
11 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or
12 leasing of such livestock;

13 (31) All sales of barges which are to be used primarily in the transportation of property or
14 cargo on interstate waterways;

15 (32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities
16 which are ultimately consumed in connection with the manufacturing of cellular glass products or in
17 any material recovery processing plant as defined in subdivision (5) of this subsection;

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

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

23 (35) All sales of grain bins for storage of grain for resale;

24 (36) All sales of feed which are developed for and used in the feeding of pets owned by a
25 commercial breeder when such sales are made to a commercial breeder, as defined in section
26 273.325, and licensed pursuant to sections 273.325 to 273.357;

27 (37) All purchases by a contractor on behalf of an entity located in another state, provided
28 that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the
29 provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption"
30 shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases
31 pursuant to the laws of the state in which the entity is located. Any contractor making purchases on
32 behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the
33 exemption. If the exemption certificate issued by the exempt entity to the contractor is later
34 determined by the director of revenue to be invalid for any reason and the contractor has accepted the
35 certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of
36 any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials
37 shall be exempt from all state and local sales and use taxes when purchased by a contractor for the
38 purpose of fabricating tangible personal property which is used in fulfilling a contract for the
39 purpose of constructing, repairing or remodeling facilities for the following:

40 (a) An exempt entity located in this state, if the entity is one of those entities able to issue
41 project exemption certificates in accordance with the provisions of section 144.062; or

1 (b) An exempt entity located outside the state if the exempt entity is authorized to issue an
2 exemption certificate to contractors in accordance with the provisions of that state's law and the
3 applicable provisions of this section;

4 (38) All sales or other transfers of tangible personal property to a lessor who leases the
5 property under a lease of one year or longer executed or in effect at the time of the sale or other
6 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections
7 238.010 to 238.100;

8 (39) Sales of tickets to any collegiate athletic championship event that is held in a facility
9 owned or operated by a governmental authority or commission, a quasi-governmental agency, a state
10 university or college or by the state or any political subdivision thereof, including a municipality, and
11 that is played on a neutral site and may reasonably be played at a site located outside the state of
12 Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the
13 campus of a conference member institution participating in the event;

14 (40) All purchases by a sports complex authority created under section 64.920, and all sales
15 of utilities by such authority at the authority's cost that are consumed in connection with the
16 operation of a sports complex leased to a professional sports team;

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

20 (42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar
21 places of business for use in the normal course of business and money received by a shooting range
22 or similar places of business from patrons and held by a shooting range or similar place of business
23 for redistribution to patrons at the conclusion of a shooting event;

24 (43) All sales of motor fuel, as defined in section 142.800, used in any watercraft, as defined
25 in section 306.010."; and

26
27 Further amend said bill by amending the title, enacting clause, and intersectional references
28 accordingly.