

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 607**  
**97TH GENERAL ASSEMBLY**

4456H.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 94.579, 94.902, and 144.080, RSMo, and to enact in lieu thereof three new sections relating to sales tax for public safety.

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

Section A. Sections 94.579, 94.902, and 144.080, RSMo, are repealed and three new  
2 sections enacted in lieu thereof, to be known as sections 94.579, 94.902, and 144.080, to read  
3 as follows:

94.579. 1. The governing body of any home rule city with more than one hundred  
2 fifty-one thousand five hundred but fewer than one hundred fifty-one thousand six hundred  
3 inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on all retail sales  
4 made within the city which are subject to sales tax under chapter 144. The tax authorized in this  
5 section shall not exceed one percent, and shall be imposed solely for the purpose of providing  
6 revenues for the operation of public safety departments, including police and fire departments,  
7 and for pension programs, and health care for employees and pensioners of the public safety  
8 departments. The tax authorized in this section shall be in addition to all other sales taxes  
9 imposed by law, and shall be stated separately from all other charges and taxes. The order or  
10 ordinance shall not become effective unless the governing body of the city submits to the voters  
11 residing within the city at a state general, primary, or special election a proposal to authorize the  
12 governing body of the city to impose a tax under this section. If the tax authorized in this section  
13 is not approved by the voters, then the city shall have an additional year during which to meet  
14 its required contribution payment beyond the time period described in section 105.683. If the  
15 city meets its required contribution payment in this time, then, notwithstanding the provisions  
16 of section 105.683 to the contrary, the delinquency shall not constitute a lien on the funds of the  
17 political subdivision, the board of such plan shall not be authorized to compel payment by

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 application for writ of mandamus, and the state treasurer and the director of the department of  
19 revenue shall not withhold twenty-five percent of the certified contribution deficiency from the  
20 total moneys due the political subdivision from the state. The one-year extension shall only be  
21 available to the city on a one-time basis.

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

24 Shall ..... (insert the name of the city) impose a sales tax at a rate of ..... (up  
25 to one) percent, solely for the purpose of providing revenues for the operation of public safety  
26 departments of the city?

27 ☐ YES ☐ NO

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

30

31 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor  
32 of the question, then the tax shall become effective on the first day of the second calendar quarter  
33 immediately following notification to the department of revenue. If a majority of the votes cast  
34 on the question by the qualified voters voting thereon are opposed to the question, then the tax  
35 shall not become effective unless and until the question is resubmitted under this section to the  
36 qualified voters and such question is approved by a majority of the qualified voters voting on the  
37 question.

38 3. All revenue collected under this section by the director of the department of revenue  
39 on behalf of any city, except for one percent for the cost of collection which shall be deposited  
40 in the state's general revenue fund, shall be deposited in a special trust fund, which is hereby  
41 created and shall be known as the "Public Safety Protection Sales Tax Fund", and shall be used  
42 solely for the designated purposes. Moneys in the fund shall not be deemed to be state funds,  
43 and shall not be commingled with any funds of the state. The director may make refunds from  
44 the amounts in the trust fund and credited to the city for erroneous payments and overpayments  
45 made, and may redeem dishonored checks and drafts deposited to the credit of such city. Any  
46 funds in the special trust fund which are not needed for current expenditures shall be invested  
47 in the same manner as other funds are invested. Any interest and moneys earned on such  
48 investments shall be credited to the fund. The director shall keep accurate records of the  
49 amounts in the fund, and such records shall be open to the inspection of the officers of such city  
50 and to the public. Not later than the tenth day of each month, the director shall distribute all  
51 moneys deposited in the fund during the preceding month to the city. Such funds shall be  
52 deposited with the treasurer of the city, and all expenditures of moneys from the fund shall be  
53 by an appropriation ordinance enacted by the governing body of the city.

54           4. On or after the effective date of the tax, the director of revenue shall be responsible  
55 for the administration, collection, enforcement, and operation of the tax, and sections 32.085 and  
56 32.087 shall apply. In order to permit sellers required to collect and report the sales tax to collect  
57 the amount required to be reported and remitted, but not to change the requirements of reporting  
58 or remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies,  
59 the governing body of the city may authorize the use of a bracket system similar to that  
60 authorized in section 144.285, and notwithstanding the provisions of that section, this new  
61 bracket system shall be used where this tax is imposed and shall apply to all taxable transactions.  
62 Beginning with the effective date of the tax, every retailer in the city shall add the sales tax to  
63 the sale price, and this tax shall be a debt of the purchaser to the retailer until paid, and shall be  
64 recoverable at law in the same manner as the purchase price. For purposes of this section, all  
65 retail sales shall be deemed to be consummated at the place of business of the retailer.

66           5. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax,  
67 and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax,  
68 and all exemptions granted to agencies of government, organizations, and persons under sections  
69 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax. The  
70 same sales tax permit, exemption certificate, and retail certificate required by sections 144.010  
71 to 144.525 for the administration and collection of the state sales tax shall satisfy the  
72 requirements of this section, and no additional permit or exemption certificate or retail certificate  
73 shall be required; except that, the director of revenue may prescribe a form of exemption  
74 certificate for an exemption from the tax. All discounts allowed the retailer under the state sales  
75 tax for the collection of and for payment of taxes are hereby allowed and made applicable to the  
76 tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are  
77 hereby made applicable to violations of this section. If any person is delinquent in the payment  
78 of the amount required to be paid under this section, or in the event a determination has been  
79 made against the person for the tax and penalties under this section, the limitation for bringing  
80 suit for the collection of the delinquent tax and penalties shall be the same as that provided in  
81 sections 144.010 to 144.525.

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

85           Shall ..... (insert the name of the city) repeal the sales tax imposed  
86 at a rate of ..... (up to one) percent for the purpose of providing revenues for the operation of  
87 public safety departments of the city?

88                                   ☐ YES

☐ NO

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

91

92 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor  
93 of repeal, that repeal shall become effective on December thirty-first of the calendar year in  
94 which such repeal was approved.

95

96 If a majority of the votes cast on the question by the qualified voters voting thereon are opposed  
97 to the repeal, then the sales tax authorized in this section shall remain effective until the question  
98 is resubmitted under this section to the qualified voters and the repeal is approved by a majority  
99 of the qualified voters voting on the question.

100 7. The governing body of any city that has adopted the sales tax authorized in this section  
101 shall submit the question of [repeal] **continuation** of the tax to the voters every five years from  
102 the date of its inception on a date available for elections for the city. The ballot of submission  
103 shall be in substantially the following form:

104 Shall ..... (insert the name of the city) [repeal the] **continue**  
105 **collecting a** sales tax imposed at a rate of ..... (up to one) percent for the purpose of  
106 providing revenues for the operation of public safety departments of the city?

107 ☐ YES

☐ NO

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

110

111 If a majority of the votes cast on the question by the qualified voters voting thereon are [in favor  
112 of repeal, that] **opposed to continuation**, repeal shall become effective on December thirty-first  
113 of the calendar year in which such [repeal was] **continuation was failed to be** approved. If a  
114 majority of the votes cast on the question by the qualified voters voting thereon are [opposed to  
115 the repeal] **in favor of continuation**, then the sales tax authorized in this section shall remain  
116 effective until the question is resubmitted under this section to the qualified voters and [the  
117 repeal is] **continuation fails to be** approved by a majority of the qualified voters voting on the  
118 question.

119 8. Whenever the governing body of any city that has adopted the sales tax authorized in  
120 this section receives a petition, signed by a number of registered voters of the city equal to at  
121 least two percent of the number of registered voters of the city voting in the last gubernatorial  
122 election, calling for an election to repeal the sales tax imposed under this section, the governing  
123 body shall submit to the voters of the city a proposal to repeal the tax. If a majority of the votes  
124 cast on the question by the qualified voters voting thereon are in favor of the repeal, the repeal

125 shall become effective on December thirty-first of the calendar year in which such repeal was  
126 approved. If a majority of the votes cast on the question by the qualified voters voting thereon  
127 are opposed to the repeal, then the sales tax authorized in this section shall remain effective until  
128 the question is resubmitted under this section to the qualified voters and the repeal is approved  
129 by a majority of the qualified voters voting on the question.

130 9. If the tax is repealed or terminated by any means, all funds remaining in the special  
131 trust fund shall continue to be used solely for the designated purposes, and the city shall notify  
132 the director of the department of revenue of the action at least ninety days before the effective  
133 date of the repeal and the director may order retention in the trust fund, for a period of one year,  
134 of two percent of the amount collected after receipt of such notice to cover possible refunds or  
135 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of  
136 such accounts. After one year has elapsed after the effective date of abolition of the tax in such  
137 city, the director shall remit the balance in the account to the city and close the account of that  
138 city. The director shall notify each city of each instance of any amount refunded or any check  
139 redeemed from receipts due the city.

94.902. 1. The governing [body] **bodies of the following cities may impose a tax as  
2 provided in this section:**

3 **(1)** Any city of the third classification with more than twenty-six thousand three hundred  
4 but less than twenty-six thousand seven hundred inhabitants[, or] ;

5 **(2)** Any city of the fourth classification with more than thirty thousand three hundred but  
6 fewer than thirty thousand seven hundred inhabitants[, or] ;

7 **(3)** Any city of the fourth classification with more than twenty-four thousand eight  
8 hundred but fewer than twenty-five thousand inhabitants[, ] ; **or**

9 **(4) Any special charter city with more than twenty-nine thousand but fewer than  
10 thirty-two thousand inhabitants.**

11 **2. The governing body of any city listed in subsection 1 of this section** may impose,  
12 by order or ordinance, a sales tax on all retail sales made in the city which are subject to taxation  
13 under chapter 144. The tax authorized in this section may be imposed in an amount of up to one-  
14 half of one percent, and shall be imposed solely for the purpose of improving the public safety  
15 for such city, including but not limited to expenditures on equipment, city employee salaries and  
16 benefits, and facilities for police, fire and emergency medical providers. The tax authorized in  
17 this section shall be in addition to all other sales taxes imposed by law, and shall be stated  
18 separately from all other charges and taxes. The order or ordinance imposing a sales tax under  
19 this section shall not become effective unless the governing body of the city submits to the voters  
20 residing within the city, at a county or state general, primary, or special election, a proposal to  
21 authorize the governing body of the city to impose a tax under this section.

22 [2.] 3. The ballot of submission for the tax authorized in this section shall be in  
23 substantially the following form:

24 Shall the city of ..... (city's name) impose a citywide sales tax at  
25 a rate of ..... (insert rate of percent) percent for the purpose of improving the public safety of  
26 the city?

27 ☐ YES ☐ NO

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

30

31 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
32 of the proposal, then the ordinance or order and any amendments to the order or ordinance shall  
33 become effective on the first day of the second calendar quarter after the director of revenue  
34 receives notice of the adoption of the sales tax. If a majority of the votes cast on the proposal  
35 by the qualified voters voting thereon are opposed to the proposal, then the tax shall not become  
36 effective unless the proposal is resubmitted under this section to the qualified voters and such  
37 proposal is approved by a majority of the qualified voters voting on the proposal. However, in  
38 no event shall a proposal under this section be submitted to the voters sooner than twelve months  
39 from the date of the last proposal under this section.

40 [3.] 4. Any sales tax imposed under this section shall be administered, collected,  
41 enforced, and operated as required in section 32.087. All sales taxes collected by the director  
42 of the department of revenue under this section on behalf of any city, less one percent for cost  
43 of collection which shall be deposited in the state's general revenue fund after payment of  
44 premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust  
45 fund, which is hereby created in the state treasury, to be known as the "City Public Safety Sales  
46 Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall  
47 not be commingled with any funds of the state. The provisions of section 33.080 to the contrary  
48 notwithstanding, money in this fund shall not be transferred and placed to the credit of the  
49 general revenue fund. The director shall keep accurate records of the amount of money in the  
50 trust fund and which was collected in each city imposing a sales tax under this section, and the  
51 records shall be open to the inspection of officers of the city and the public. Not later than the  
52 tenth day of each month the director shall distribute all moneys deposited in the trust fund during  
53 the preceding month to the city which levied the tax. Such funds shall be deposited with the city  
54 treasurer of each such city, and all expenditures of funds arising from the trust fund shall be by  
55 an appropriation act to be enacted by the governing body of each such city. Expenditures may  
56 be made from the fund for any functions authorized in the ordinance or order adopted by the  
57 governing body submitting the tax to the voters. If the tax is repealed, all funds remaining in the

58 special trust fund shall continue to be used solely for the designated purposes. Any funds in the  
59 special trust fund which are not needed for current expenditures shall be invested in the same  
60 manner as other funds are invested. Any interest and moneys earned on such investments shall  
61 be credited to the fund.

62 [4.] 5. The director of the department of revenue may authorize the state treasurer to  
63 make refunds from the amounts in the trust fund and credited to any city for erroneous payments  
64 and overpayments made, and may redeem dishonored checks and drafts deposited to the credit  
65 of such cities. If any city abolishes the tax, the city shall notify the director of the action at least  
66 ninety days before the effective date of the repeal, and the director may order retention in the  
67 trust fund, for a period of one year, of two percent of the amount collected after receipt of such  
68 notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and  
69 drafts deposited to the credit of such accounts. After one year has elapsed after the effective date  
70 of abolition of the tax in such city, the director shall remit the balance in the account to the city  
71 and close the account of that city. The director shall notify each city of each instance of any  
72 amount refunded or any check redeemed from receipts due the city.

73 [5.] 6. The governing body of any city that has adopted the sales tax authorized in this  
74 section may submit the question of repeal of the tax to the voters on any date available for  
75 elections for the city. The ballot of submission shall be in substantially the following form:

76 Shall ..... (insert the name of the city) repeal the sales tax  
77 imposed at a rate of ..... (insert rate of percent) percent for the purpose of improving the public  
78 safety of the city?

79 ☐ YES ☐ NO

80 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become  
81 effective on December thirty-first of the calendar year in which such repeal was approved. If a  
82 majority of the votes cast on the question by the qualified voters voting thereon are opposed to  
83 the repeal, then the sales tax authorized in this section shall remain effective until the question  
84 is resubmitted under this section to the qualified voters, and the repeal is approved by a majority  
85 of the qualified voters voting on the question.

86 [6.] 7. Whenever the governing body of any city that has adopted the sales tax authorized  
87 in this section receives a petition, signed by ten percent of the registered voters of the city voting  
88 in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this  
89 section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If  
90 a majority of the votes cast on the question by the qualified voters voting thereon are in favor of  
91 the repeal, that repeal shall become effective on December thirty-first of the calendar year in  
92 which such repeal was approved. If a majority of the votes cast on the question by the qualified  
93 voters voting thereon are opposed to the repeal, then the tax shall remain effective until the

94 question is resubmitted under this section to the qualified voters and the repeal is approved by  
95 a majority of the qualified voters voting on the question.

96 [7.] 8. Except as modified in this section, all provisions of sections 32.085 and 32.087  
97 shall apply to the tax imposed under this section.

144.080. 1. Every person receiving any payment or consideration upon the sale of  
2 property or rendering of service, subject to the tax imposed by the provisions of sections 144.010  
3 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at  
4 retail and is subject to the tax levied in section 144.020. The person shall be responsible not only  
5 for the collection of the amount of the tax imposed on the sale or service to the extent possible  
6 under the provisions of section 144.285, but shall, on or before the last day of the month  
7 following each calendar quarterly period of three months, file a return with the director of  
8 revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for  
9 the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied  
10 in section 144.020, except as provided in subsections 2 and 3 of this section. The director of  
11 revenue may promulgate rules or regulations changing the filing and payment requirements of  
12 sellers, but shall not require any seller to file and pay more frequently than required in this  
13 section.

14 2. Where the aggregate amount levied and imposed upon a seller by section 144.020 is  
15 in excess of two hundred and fifty dollars for either the first or second month of a calendar  
16 quarter, the seller shall file a return and pay such aggregate amount for such months to the  
17 director of revenue by the twentieth day of the succeeding month.

18 3. Where the aggregate amount levied and imposed upon a seller by section 144.020 is  
19 less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit  
20 the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or  
21 before January thirty-first of the succeeding year.

22 4. The seller of any property or person rendering any service, subject to the tax imposed  
23 by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property or the  
24 recipient of the service to the extent possible under the provisions of section 144.285, but the  
25 seller's inability to collect any part or all of the tax does not relieve the seller of the obligation  
26 to pay to the state the tax imposed by section 144.020; except that the collection of the tax  
27 imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided  
28 in sections 144.070 and 144.440.

29 5. [It shall be unlawful for] Any person [to] **may** advertise or hold out or state to the  
30 public or to any customer directly [or indirectly] that the tax or any part thereof imposed by  
31 sections 144.010 to 144.525, and required to be collected by the person, will be assumed or  
32 absorbed by the person, [or that it will not be separately stated and added to the selling price of



33 the] **provided that the amount of tax assumed or absorbed shall be stated on any invoice**  
34 **or receipt for the** property sold or service rendered[, or if added, that it or any part thereof will  
35 be refunded]. Any person violating any of the provisions of this section shall be guilty of a  
36 misdemeanor. **This subsection shall not apply to any retailer prohibited from collecting and**  
37 **remitting sales tax under section 66.630.**

✓