

SECOND REGULAR SESSION

# HOUSE BILL NO. 1237

## 97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES HOSKINS (Sponsor), PHILLIPS,  
WALKER AND ROWDEN (Co-sponsors).

4485H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to nonresident entertainer income taxes.

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

Section A. Section 143.183, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.183, to read as follows:

143.183. 1. As used in this section, the following terms mean:

(1) "Nonresident entertainer", a person residing or registered as a corporation outside this state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic, dance or other performance in this state before a live audience and any other person traveling with and performing services on behalf of a nonresident entertainer, including a nonresident entertainer who is paid compensation for providing entertainment as an independent contractor, a partnership that is paid compensation for entertainment provided by nonresident entertainers, a corporation that is paid compensation for entertainment provided by nonresident entertainers, or any other entity that is paid compensation for entertainment provided by nonresident entertainers;

(2) "Nonresident member of a professional athletic team", a professional athletic team member who resides outside this state, including any active player, any player on the disabled list if such player is in uniform on the day of the game at the site of the game, and any other person traveling with and performing services on behalf of a professional athletic team;

(3) "Personal service income" includes exhibition and regular season salaries and wages, guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other

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.

17 type of compensation paid to the nonresident entertainer or nonresident member of a professional  
18 athletic team, but does not include prizes, bonuses or incentive money received from competition  
19 in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional baseball,  
21 basketball, football, soccer and hockey team.

22 2. Any person, venue, or entity who pays compensation to a nonresident entertainer shall  
23 deduct and withhold from such compensation as a prepayment of tax an amount equal to two  
24 percent of the total compensation if the amount of compensation is in excess of three hundred  
25 dollars paid to the nonresident entertainer. For purposes of this section, the term "person, venue,  
26 or entity who pays compensation" shall not be construed to include any person, venue, or entity  
27 that is exempt from taxation under 26 U.S.C. Section 501(c)(3), as amended, and that pays an  
28 amount to the nonresident entertainer for the entertainer's appearance but receives no benefit  
29 from the entertainer's appearance other than the entertainer's performance.

30 3. Any person, venue, or entity required to deduct and withhold tax pursuant to  
31 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the month  
32 following the close of such calendar quarter, remit the taxes withheld in such form or return as  
33 prescribed by the director of revenue and pay over to the director of revenue or to a depository  
34 designated by the director of revenue the taxes so required to be deducted and withheld.

35 4. Any person, venue, or entity subject to this section shall be considered an employer  
36 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to  
37 tax provided in this chapter for failure to comply with this section.

38 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner of  
39 administration, for all taxable years beginning on or after January 1, 1999, but none after  
40 December 31, [2015] **2020**, shall annually estimate the amount of state income tax revenues  
41 collected pursuant to this chapter which are received from nonresident members of professional  
42 athletic teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal  
43 year for a period of [sixteen] **twenty-one** years, sixty percent of the annual estimate of taxes  
44 generated from the nonresident entertainer and professional athletic team income tax shall be  
45 allocated annually to the Missouri arts council trust fund, and shall be transferred from the  
46 general revenue fund to the Missouri arts council trust fund established in section 185.100 and  
47 any amount transferred shall be in addition to such agency's budget base for each fiscal year. The  
48 director shall by rule establish the method of determining the portion of personal service income  
49 of such persons that is allocable to Missouri.

50 6. Notwithstanding the provisions of sections 186.050 to 186.067 to the contrary, the  
51 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but  
52 for none after December 31, [2015] **2020**, shall estimate annually the amount of state income tax

53 revenues collected pursuant to this chapter which are received from nonresident members of  
54 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each  
55 subsequent fiscal year for a period of [sixteen] **twenty-one** years, ten percent of the annual  
56 estimate of taxes generated from the nonresident entertainer and professional athletic team  
57 income tax shall be allocated annually to the Missouri humanities council trust fund, and shall  
58 be transferred from the general revenue fund to the Missouri humanities council trust fund  
59 established in section 186.055 and any amount transferred shall be in addition to such agency's  
60 budget base for each fiscal year.

61 7. Notwithstanding other provisions of section 182.812 to the contrary, the commissioner  
62 of administration, for all taxable years beginning on or after January 1, 1999, but for none after  
63 December 31, [2015] **2020**, shall estimate annually the amount of state income tax revenues  
64 collected pursuant to this chapter which are received from nonresident members of professional  
65 athletic teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal  
66 year for a period of [sixteen] **twenty-one** years, ten percent of the annual estimate of taxes  
67 generated from the nonresident entertainer and professional athletic team income tax shall be  
68 allocated annually to the Missouri state library networking fund, and shall be transferred from  
69 the general revenue fund to the secretary of state for distribution to public libraries for  
70 acquisition of library materials as established in section 182.812 and any amount transferred shall  
71 be in addition to such agency's budget base for each fiscal year.

72 8. Notwithstanding other provisions of section 185.200 to the contrary, the commissioner  
73 of administration, for all taxable years beginning on or after January 1, 1999, but for none after  
74 December 31, [2015] **2020**, shall estimate annually the amount of state income tax revenues  
75 collected pursuant to this chapter which are received from nonresident members of professional  
76 athletic teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal  
77 year for a period of [sixteen] **twenty-one** years, ten percent of the annual estimate of taxes  
78 generated from the nonresident entertainer and professional athletic team income tax shall be  
79 allocated annually to the Missouri public television broadcasting corporation special fund, and  
80 shall be transferred from the general revenue fund to the Missouri public television broadcasting  
81 corporation special fund, and any amount transferred shall be in addition to such agency's budget  
82 base for each fiscal year; provided, however, that twenty-five percent of such allocation shall be  
83 used for grants to public radio stations which were qualified by the corporation for public  
84 broadcasting as of November 1, 1996. Such grants shall be distributed to each of such public  
85 radio stations in this state after receipt of the station's certification of operating and programming  
86 expenses for the prior fiscal year. Certification shall consist of the most recent fiscal year  
87 financial statement submitted by a station to the corporation for public broadcasting. The grants  
88 shall be divided into two categories, an annual basic service grant and an operating grant. The

89 basic service grant shall be equal to thirty-five percent of the total amount and shall be divided  
90 equally among the public radio stations receiving grants. The remaining amount shall be  
91 distributed as an operating grant to the stations on the basis of the proportion that the total  
92 operating expenses of the individual station in the prior fiscal year bears to the aggregate total  
93 of operating expenses for the same fiscal year for all Missouri public radio stations which are  
94 receiving grants.

95 9. Notwithstanding other provisions of section 253.402 to the contrary, the commissioner  
96 of administration, for all taxable years beginning on or after January 1, 1999, but for none after  
97 December 31, [2015] **2020**, shall estimate annually the amount of state income tax revenues  
98 collected pursuant to this chapter which are received from nonresident members of professional  
99 athletic teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal  
100 year for a period of [sixteen] **twenty-one** years, ten percent of the annual estimate of taxes  
101 generated from the nonresident entertainer and professional athletic team income tax shall be  
102 allocated annually to the Missouri department of natural resources Missouri historic preservation  
103 revolving fund, and shall be transferred from the general revenue fund to the Missouri  
104 department of natural resources Missouri historic preservation revolving fund established in  
105 section 253.402 and any amount transferred shall be in addition to such agency's budget base for  
106 each fiscal year. [As authorized pursuant to subsection 2 of section 30.953, it is the intention and  
107 desire of the general assembly that the state treasurer convey, to the Missouri investment trust  
108 on January 1, 1999, up to one hundred percent of the balances of the Missouri arts council trust  
109 fund established pursuant to section 185.100 and the Missouri humanities council trust fund  
110 established pursuant to section 186.055. The funds shall be reconveyed to the state treasurer by  
111 the investment trust as follows: the Missouri arts council trust fund, no earlier than January 2,  
112 2009; and the Missouri humanities council trust fund, no earlier than January 2, 2009.]

113 10. This section shall not be construed to apply to any person who makes a presentation  
114 for professional or technical education purposes or to apply to any presentation that is part of a  
115 seminar, conference, convention, school, or similar program format designed to provide  
116 professional or technical education.

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