

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
HOUSE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 231

98TH GENERAL ASSEMBLY

2015

1207H.02T

---

---

## AN ACT

To repeal sections 142.815, 144.030, and 306.100, RSMo, and to enact in lieu thereof four new sections relating to watercraft.

---

---

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

Section A. Sections 142.815, 144.030, and 306.100, RSMo, are repealed and  
2 four new sections enacted in lieu thereof, to be known as sections 142.815, 144.030,  
3 306.100, and 306.910, to read as follows:

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

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

**EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

17 made to a farmer after January 1, 2006, as provided in this subdivision and the  
18 farmer provides an exemption certificate to the ultimate vender, in which case the  
19 ultimate vender may make a claim for refund under section 142.824 but shall be  
20 liable for any erroneous refund;

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

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

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

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

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

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

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

51 (2) Undyed K-1 kerosene sold at retail through dispensers which have been  
52 designed and constructed to prevent delivery directly from the dispenser into a

53 vehicle fuel supply tank, and undyed K-1 kerosene sold at retail through  
54 nonbarricaded dispensers in quantities of not more than twenty-one gallons for use  
55 other than for highway purposes. Exempt use of undyed kerosene shall be governed  
56 by rules and regulations of the director. If no rules or regulations are promulgated  
57 by the director, then the exempt use of undyed kerosene shall be governed by rules  
58 and regulations of the Internal Revenue Service. A distributor or supplier delivering  
59 to a retail facility shall obtain an exemption certificate from the owner or operator of  
60 such facility stating that its sales conform to the dispenser requirements of this  
61 subdivision. A licensed distributor, having obtained such certificate, may provide a  
62 copy to his or her supplier and obtain undyed kerosene without the tax levied by  
63 section 142.803. Having obtained such certificate in good faith, such supplier shall  
64 be relieved of any responsibility if the fuel is later used in a taxable manner. An  
65 ultimate vendor who obtained undyed kerosene upon which the tax levied by section  
66 142.803 had been paid and makes sales qualifying pursuant to this subsection may  
67 apply for a refund of the tax pursuant to application, as provided in section 142.818,  
68 to the director provided the ultimate vendor did not charge such tax to the consumer;

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

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

78 (5) That portion of motor fuel used to operate equipment attached to a motor  
79 vehicle, if the motor fuel was placed into the fuel supply tank of a motor vehicle that  
80 has a common fuel reservoir for travel on a highway and for the operation of  
81 equipment, or if the motor fuel was placed in a separate fuel tank and used only for  
82 the operation of auxiliary equipment. The exemption for use pursuant to this  
83 subdivision shall be claimed by a refund claim filed by the consumer who shall  
84 provide evidence of an allocation of use satisfactory to the director;

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

88 (7) Motor fuel which was purchased tax-paid and which was lost or destroyed

89 as a direct result of a sudden and unexpected casualty or which had been  
90 accidentally contaminated so as to be unsalable as highway fuel as shown by proper  
91 documentation as required by the director. The exemption pursuant to this  
92 subdivision shall be refunded to the person or entity owning the motor fuel at the  
93 time of the contamination or loss. Such person shall notify the director in writing of  
94 such event and the amount of motor fuel lost or contaminated within ten days from  
95 the date of discovery of such loss or contamination, and within thirty days after such  
96 notice, shall file an affidavit sworn to by the person having immediate custody of  
97 such motor fuel at the time of the loss or contamination, setting forth in full the  
98 circumstances and the amount of the loss or contamination and such other  
99 information with respect thereto as the director may require;

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

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

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

109 (c) This exemption shall be claimed by the distributor, upon a refund  
110 application made to the director within three years. A refund claim may be made  
111 monthly or whenever the claim exceeds one thousand dollars[.];

112 **(9) Motor fuel delivered to any marina within this state that sells**  
113 **such fuel solely for use in any watercraft, as such term is defined in section**  
114 **306.010, and not accessible to other motor vehicles, is exempt from the fuel**  
115 **tax imposed by this chapter. Any motor fuel distributor that delivers motor**  
116 **fuel to any marina in this state for use solely in any watercraft, as such**  
117 **term is defined in section 306.010, may claim the exemption provided in this**  
118 **subsection. Any motor fuel customer who purchases motor fuel for use in**  
119 **any watercraft, as such term is defined in section 306.010, at a location**  
120 **other than a marina within this state may claim the exemption provided in**  
121 **this subsection by filing a claim for refund of the fuel tax.**

144.030. 1. There is hereby specifically exempted from the provisions of  
2 sections 144.010 to 144.525 and from the computation of the tax levied, assessed or  
3 payable pursuant to sections 144.010 to 144.525 such retail sales as may be made

4 in commerce between this state and any other state of the United States, or between  
5 this state and any foreign country, and any retail sale which the state of Missouri  
6 is prohibited from taxing pursuant to the Constitution or laws of the United States  
7 of America, and such retail sales of tangible personal property which the general  
8 assembly of the state of Missouri is prohibited from taxing or further taxing by the  
9 constitution of this state.

10 2. There are also specifically exempted from the provisions of the local sales  
11 tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525  
12 and 144.600 to 144.761 and from the computation of the tax levied, assessed or  
13 payable pursuant to the local sales tax law as defined in section 32.085, section  
14 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

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

28 (2) Materials, manufactured goods, machinery and parts which when used  
29 in manufacturing, processing, compounding, mining, producing or fabricating become  
30 a component part or ingredient of the new personal property resulting from such  
31 manufacturing, processing, compounding, mining, producing or fabricating and which  
32 new personal property is intended to be sold ultimately for final use or consumption;  
33 and materials, including without limitation, gases and manufactured goods, including  
34 without limitation slagging materials and firebrick, which are ultimately consumed  
35 in the manufacturing process by blending, reacting or interacting with or by  
36 becoming, in whole or in part, component parts or ingredients of steel products  
37 intended to be sold ultimately for final use or consumption;

38 (3) Materials, replacement parts and equipment purchased for use directly  
39 upon, and for the repair and maintenance or manufacture of, motor vehicles,

40 watercraft, railroad rolling stock or aircraft engaged as common carriers of persons  
41 or property;

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

50 (5) Replacement machinery, equipment, and parts and the materials and  
51 supplies solely required for the installation or construction of such replacement  
52 machinery, equipment, and parts, used directly in manufacturing, mining, fabricating  
53 or producing a product which is intended to be sold ultimately for final use or  
54 consumption; and machinery and equipment, and the materials and supplies required  
55 solely for the operation, installation or construction of such machinery and  
56 equipment, purchased and used to establish new, or to replace or expand existing,  
57 material recovery processing plants in this state. For the purposes of this subdivision,  
58 a "material recovery processing plant" means a facility that has as its primary  
59 purpose the recovery of materials into a usable product or a different form which is  
60 used in producing a new product and shall include a facility or equipment which are  
61 used exclusively for the collection of recovered materials for delivery to a material  
62 recovery processing plant but shall not include motor vehicles used on highways. For  
63 purposes of this section, the terms motor vehicle and highway shall have the same  
64 meaning pursuant to section 301.010. Material recovery is not the reuse of materials  
65 within a manufacturing process or the use of a product previously recovered. The  
66 material recovery processing plant shall qualify under the provisions of this section  
67 regardless of ownership of the material being recovered;

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

74 (7) Tangible personal property which is used exclusively in the  
75 manufacturing, processing, modification or assembling of products sold to the United

76 States government or to any agency of the United States government;

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

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

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

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

86 (12) Railroad rolling stock for use in transporting persons or property in  
87 interstate commerce and motor vehicles licensed for a gross weight of twenty-four  
88 thousand pounds or more or trailers used by common carriers, as defined in section  
89 390.020, in the transportation of persons or property;

90 (13) Electrical energy used in the actual primary manufacture, processing,  
91 compounding, mining or producing of a product, or electrical energy used in the  
92 actual secondary processing or fabricating of the product, or a material recovery  
93 processing plant as defined in subdivision (5) of this subsection, in facilities owned  
94 or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten  
95 percent of the total cost of production, either primary or secondary, exclusive of the  
96 cost of electrical energy so used or if the raw materials used in such processing  
97 contain at least twenty-five percent recovered materials as defined in section  
98 260.200. There shall be a rebuttable presumption that the raw materials used in the  
99 primary manufacture of automobiles contain at least twenty-five percent recovered  
100 materials. For purposes of this subdivision, "processing" means any mode of  
101 treatment, act or series of acts performed upon materials to transform and reduce  
102 them to a different state or thing, including treatment necessary to maintain or  
103 preserve such processing by the producer at the production facility;

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

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

111 (16) Machinery, equipment, appliances and devices purchased or leased and

112 used solely for the purpose of preventing, abating or monitoring water pollution, and  
113 materials and supplies solely required for the installation, construction or  
114 reconstruction of such machinery, equipment, appliances and devices;

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

116 (18) All amounts paid or charged for admission or participation or other fees  
117 paid by or other charges to individuals in or for any place of amusement,  
118 entertainment or recreation, games or athletic events, including museums, fairs, zoos  
119 and planetariums, owned or operated by a municipality or other political subdivision  
120 where all the proceeds derived therefrom benefit the municipality or other political  
121 subdivision and do not inure to any private person, firm, or corporation, provided,  
122 however, that a municipality or other political subdivision may enter into revenue-  
123 sharing agreements with private persons, firms, or corporations providing goods or  
124 services, including management services, in or for the place of amusement,  
125 entertainment or recreation, games or athletic events, and provided further that  
126 nothing in this subdivision shall exempt from tax any amounts retained by any  
127 private person, firm, or corporation under such revenue-sharing agreement;

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



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

152           (21) All sales of aircraft to common carriers for storage or for use in interstate  
153 commerce and all sales made by or to not-for-profit civic, social, service or fraternal  
154 organizations, including fraternal organizations which have been declared tax-  
155 exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal  
156 Revenue Code, as amended, in their civic or charitable functions and activities and  
157 all sales made to eleemosynary and penal institutions and industries of the state, and  
158 all sales made to any private not-for-profit institution of higher education not  
159 otherwise excluded pursuant to subdivision (20) of this subsection or any institution  
160 of higher education supported by public funds, and all sales made to a state relief  
161 agency in the exercise of relief functions and activities;

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

170           (23) All sales made to any private not-for-profit elementary or secondary  
171 school, all sales of feed additives, medications or vaccines administered to livestock or  
172 poultry in the production of food or fiber, all sales of pesticides used in the production  
173 of crops, livestock or poultry for food or fiber, all sales of bedding used in the  
174 production of livestock or poultry for food or fiber, all sales of propane or natural gas,  
175 electricity or diesel fuel used exclusively for drying agricultural crops, natural gas  
176 used in the primary manufacture or processing of fuel ethanol as defined in section  
177 142.028, natural gas, propane, and electricity used by an eligible new generation  
178 cooperative or an eligible new generation processing entity as defined in section  
179 348.432, and all sales of farm machinery and equipment, other than airplanes, motor  
180 vehicles and trailers, and any freight charges on any exempt item. As used in this  
181 subdivision, the term "feed additives" means tangible personal property which, when  
182 mixed with feed for livestock or poultry, is to be used in the feeding of livestock or  
183 poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as

184 crop oils, surfactants, wetting agents and other assorted pesticide carriers used to  
185 improve or enhance the effect of a pesticide and the foam used to mark the  
186 application of pesticides and herbicides for the production of crops, livestock or  
187 poultry. As used in this subdivision, the term "farm machinery and equipment"  
188 means new or used farm tractors and such other new or used farm machinery and  
189 equipment and repair or replacement parts thereon and any accessories for and  
190 upgrades to such farm machinery and equipment, rotary mowers used exclusively for  
191 agricultural purposes, and supplies and lubricants used exclusively, solely, and  
192 directly for producing crops, raising and feeding livestock, fish, poultry, pheasants,  
193 chukar, quail, or for producing milk for ultimate sale at retail, including field drain  
194 tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

195 (a) Used exclusively for agricultural purposes;  
196 (b) Used on land owned or leased for the purpose of producing farm products;  
197 and

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

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

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

214 (b) Regulated utility sellers shall determine whether individual purchases are  
215 exempt or nonexempt based upon the seller's utility service rate classifications as  
216 contained in tariffs on file with and approved by the Missouri public service  
217 commission. Sales and purchases made pursuant to the rate classification  
218 "residential" and sales to and purchases made by or on behalf of the occupants of  
219 residential apartments or condominiums through a single or master meter, including

220 service for common areas and facilities and vacant units, shall be considered as sales  
221 made for domestic use and such sales shall be exempt from sales tax. Sellers shall  
222 charge sales tax upon the entire amount of purchases classified as nondomestic  
223 use. The seller's utility service rate classification and the provision of service  
224 thereunder shall be conclusive as to whether or not the utility must charge sales tax;

225 (c) Each person making domestic use purchases of services or property and  
226 who uses any portion of the services or property so purchased for a nondomestic use  
227 shall, by the fifteenth day of the fourth month following the year of purchase, and  
228 without assessment, notice or demand, file a return and pay sales tax on that portion  
229 of nondomestic purchases. Each person making nondomestic purchases of services  
230 or property and who uses any portion of the services or property so purchased for  
231 domestic use, and each person making domestic purchases on behalf of occupants of  
232 residential apartments or condominiums through a single or master meter, including  
233 service for common areas and facilities and vacant units, under a nonresidential  
234 utility service rate classification may, between the first day of the first month and the  
235 fifteenth day of the fourth month following the year of purchase, apply for credit or  
236 refund to the director of revenue and the director shall give credit or make refund  
237 for taxes paid on the domestic use portion of the purchase. The person making such  
238 purchases on behalf of occupants of residential apartments or condominiums shall  
239 have standing to apply to the director of revenue for such credit or refund;

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

244 (26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061,  
245 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States  
246 Code. The director of revenue shall promulgate rules pursuant to chapter 536 to  
247 eliminate all state and local sales taxes on such excise taxes;

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

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

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

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

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

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

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

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

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

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

281           (37) All purchases by a contractor on behalf of an entity located in another  
282 state, provided that the entity is authorized to issue a certificate of exemption for  
283 purchases to a contractor under the provisions of that state's laws. For purposes of  
284 this subdivision, the term "certificate of exemption" shall mean any document  
285 evidencing that the entity is exempt from sales and use taxes on purchases pursuant  
286 to the laws of the state in which the entity is located. Any contractor making  
287 purchases on behalf of such entity shall maintain a copy of the entity's exemption  
288 certificate as evidence of the exemption. If the exemption certificate issued by the  
289 exempt entity to the contractor is later determined by the director of revenue to be  
290 invalid for any reason and the contractor has accepted the certificate in good faith,  
291 neither the contractor or the exempt entity shall be liable for the payment of any

292 taxes, interest and penalty due as the result of use of the invalid exemption  
293 certificate. Materials shall be exempt from all state and local sales and use taxes  
294 when purchased by a contractor for the purpose of fabricating tangible personal  
295 property which is used in fulfilling a contract for the purpose of constructing,  
296 repairing or remodeling facilities for the following:

297 (a) An exempt entity located in this state, if the entity is one of those entities  
298 able to issue project exemption certificates in accordance with the provisions of section  
299 144.062; or

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

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

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

314 (40) All purchases by a sports complex authority created under section  
315 64.920, and all sales of utilities by such authority at the authority's cost that are  
316 consumed in connection with the operation of a sports complex leased to a  
317 professional sports team;

318 (41) All materials, replacement parts, and equipment purchased for use  
319 directly upon, and for the modification, replacement, repair, and maintenance of  
320 aircraft, aircraft power plants, and aircraft accessories;

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

326 (43) All sales of motor fuel, as defined in section 142.800, used in any  
327 watercraft, as defined in section 306.010.

328           3. Any ruling, agreement, or contract, whether written or oral, express or  
329 implied, between a person and this state's executive branch, or any other state  
330 agency or department, stating, agreeing, or ruling that such person is not required  
331 to collect sales and use tax in this state despite the presence of a warehouse,  
332 distribution center, or fulfillment center in this state that is owned or operated by the  
333 person or an affiliated person shall be null and void unless it is specifically approved  
334 by a majority vote of each of the houses of the general assembly. For purposes of  
335 this subsection, an "affiliated person" means any person that is a member of the same  
336 controlled group of corporations as defined in Section 1563(a) of the Internal  
337 Revenue Code of 1986, as amended, as the vendor or any other entity that,  
338 notwithstanding its form of organization, bears the same ownership relationship to  
339 the vendor as a corporation that is a member of the same controlled group of  
340 corporations as defined in Section 1563(a) of the Internal Revenue Code, as  
341 amended.

          306.100. 1. For the purpose of this section, vessels shall be divided into four  
2 classes as follows:

- 3           (1) Class A, less than sixteen feet in length;
- 4           (2) Class 1, at least sixteen and less than twenty-six feet in length;
- 5           (3) Class 2, at least twenty-six and less than forty feet in length;
- 6           (4) Class 3, forty feet and over.

7           2. All vessels shall display from sunset to sunrise the following lights when  
8 under way, and during such time no other lights, continuous spotlights or docking  
9 lights, or other nonprescribed lights shall be exhibited:

10          (1) Vessels of classes A and 1:

11           (a) A bright white light aft to show all around the horizon;

12           (b) A combined light in the forepart of the vessel and lower than the white  
13 light aft, showing green to starboard and red to port, so fixed as to throw the light  
14 from right ahead to two points (22 1/2 degrees) abaft the beam on their respective  
15 sides;

16          (2) Vessels of classes 2 and 3:

17           (a) A bright white light in the forepart of the vessel as near the stem as  
18 practicable, so constructed as to show the unbroken light over an arc of the horizon  
19 of twenty points (225 degrees) of the compass, so fixed as to throw the light ten  
20 points (112 1/2 degrees) on each side of the vessel; namely, from right ahead to two  
21 points (22 1/2 degrees) abaft the beam on either side;

22           (b) A bright white light aft to show all around the horizon and higher than

23 the white light forward;

24 (c) On the starboard side a green light so constructed as to show an  
25 unbroken light over an arc of the horizon of ten points (112 1/2 degrees) of the  
26 compass, so fixed as to throw the light from right ahead to two points (22 1/2  
27 degrees) abaft the beam on the starboard side; on the port side a red light so  
28 constructed as to show an unbroken light over an arc of the horizon of ten points  
29 (112 1/2 degrees) of the compass, so fixed as to throw the light from right ahead to  
30 two points (22 1/2 degrees) abaft the beam on the portside. The side lights shall be  
31 fitted with inboard screens so set as to prevent these lights from being seen across  
32 the bow;

33 (3) Vessels of classes A and 1 when propelled by sail alone shall exhibit the  
34 combined light prescribed by this section and a twelve point (135 degree) white light  
35 aft. Vessels of classes 2 and 3, when so propelled, shall exhibit the colored side lights,  
36 suitably screened, prescribed by this section and a twelve point (135 degree) white  
37 light aft;

38 (4) All vessels between the hours of sunset and sunrise that are not under  
39 way, moored at permanent dockage or attached to an immovable object on shore so  
40 that they do not extend more than fifty feet from the shore shall display one  
41 three-hundred-sixty-degree white light visible three hundred sixty degrees around  
42 the horizon;

43 (5) Every white light prescribed by this section shall be of such character as  
44 to be visible at a distance of at least two miles. Every colored light prescribed by this  
45 section shall be of such character as to be visible at a distance of at least one  
46 mile. The word "visible" in this subsection, when applied to lights, shall mean visible  
47 on a dark night with clear atmosphere;

48 (6) When propelled by sail and machinery every vessel shall carry the lights  
49 required by this section for a motorboat propelled by machinery only.

50 3. Any watercraft not defined as a vessel shall, from sunset to sunrise, carry,  
51 ready at hand, a lantern or flashlight showing a white light which shall be exhibited  
52 in sufficient time to avert collision.

53 4. Any vessel may carry and exhibit the lights required by the federal  
54 regulations for preventing collisions at sea, in lieu of the lights required by subsection  
55 2 of this section.

56 5. All other watercraft over sixty-five feet in length and those propelled solely  
57 by wind effect on the sail shall display lights prescribed by federal regulations.

58 6. Any watercraft used by a person engaged in the act of sport fishing is not

59 required to display any lights required by this section if no other vessel is within the  
60 immediate vicinity of the first vessel, the vessel is using an electric trolling motor and  
61 the vessel is within fifty feet of the shore.

62 7. Every vessel, except those in class A, shall have on board at least one  
63 wearable personal flotation device of type I, II or III for each person on board and  
64 each person being towed who is not wearing one. Every such vessel shall also have  
65 on board at least one type IV throwable personal flotation device.

66 8. All class A motorboats and all watercraft traveling on the waters of this  
67 state shall have on board at least one type I, II, III or IV personal flotation device  
68 for each person on board and each person being towed who is not wearing one.

69 9. All lifesaving devices required by subsections 7 and 8 of this section shall  
70 be United States Coast Guard approved, in serviceable condition and so placed as to  
71 be readily accessible.

72 10. Every vessel which is carrying or using flammable or toxic fluid in any  
73 enclosure for any purpose, and which is not an entirely open vessel, shall have an  
74 efficient natural or mechanical ventilation system which must be capable of removing  
75 resulting gases prior to and during the time the vessel is occupied by any person.

76 11. Motorboats shall carry on board at least the following United States Coast  
77 Guard approved fire extinguishers:

78 (1) Every class A and every class 1 motorboat carrying or using gasoline or  
79 any other flammable or toxic fluid, one B1 type fire extinguisher;

80 (2) Every class 2 motorboat[, one B2 or two B1 type fire extinguishers;]:

81 (a) **Two B1 type fire extinguishers; or**

82 (b) **One B2 type fire extinguisher; or**

83 (c) **A fixed fire extinguishing system and one B1 type fire**  
84 **extinguisher; and**

85 (3) Every class 3 motorboat:

86 (a) Three B1 type fire extinguishers; or

87 (b) One B2 type and one B1 type fire extinguisher; or

88 (c) A fixed fire extinguishing system and one B2 type fire extinguisher; or

89 (d) A fixed fire extinguishing system and two B1 type fire extinguishers.

90 12. All class 1 and 2 motorboats and vessels shall have a sounding device.

91 All class 3 motorboats and vessels shall have at least a sounding device and one bell.

92 13. No person shall operate any watercraft which is not equipped as required  
93 by this section.

94 14. A water patrol division officer may direct the operator of any watercraft



95 being operated without sufficient personal flotation devices, fire-fighting devices or  
96 in an overloaded or other unsafe condition or manner to take whatever immediate  
97 and reasonable steps are necessary for the safety of those aboard when, in the  
98 judgment of the officer, such operation creates a hazardous condition. The officer  
99 may direct the operator to return the watercraft to the nearest safe mooring and to  
100 remain there until the situation creating the hazardous condition is corrected.

101 15. A water patrol division officer may remove any unmanned or unattended  
102 watercraft from the water when, in the judgment of the officer, the watercraft creates  
103 a hazardous condition.

104 16. Nothing in this section shall prohibit the use of additional specialized  
105 lighting used in the act of sport fishing.

**306.910. 1. For purposes of this section, the following terms shall  
2 mean:**

3 (1) "Outfitter", any individual, group, corporation, or other business  
4 entity which is a registered member of the Missouri Canoe and Floaters  
5 Association;

6 (2) "Water patrol division", the water patrol division of the state  
7 highway patrol;

8 (3) "Watercraft", any canoe, kayak, raft, innertube, or other flotation  
9 device propelled by the use of paddles, oars, or other nonmotorized means  
10 of propulsion.

11 2. By January 1, 2016, the water patrol division shall develop an  
12 informational brochure regarding the laws, regulations, and associated  
13 penalties relating to recreational water use as they pertain to individuals  
14 participating in the recreational use of the state's streams or rivers.

15 3. The water patrol division shall distribute the informational  
16 brochures developed under this section to all campgrounds and outfitters  
17 that rent or provide watercraft for use on a stream or river.

18 4. No more than one hundred thousand dollars shall be expended on  
19 the development and printing of the informational brochure under this  
20 section.

21 5. The water patrol division shall distribute the informational  
22 brochures developed under this section to all county commissioners in this  
23 state.

✓

