

FIRST REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 935**  
**99TH GENERAL ASSEMBLY**

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Reported from the Committee on Progress and Development, April 27, 2017, with recommendation that the Senate Committee Substitute do pass.

ADRIANE D. CROUSE, Secretary.

1574S.04C

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**AN ACT**

To repeal sections 67.505, 67.547, and 94.510 RSMo, and to enact in lieu thereof three new sections relating to local sales taxes.

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

Section A. Sections 67.505, 67.547, and 94.510 RSMo, are repealed and  
2 three new sections enacted in lieu thereof, to be known as sections 67.505, 67.547,  
3 and 94.510 to read as follows:

67.505. 1. Any county may, by a majority vote of its governing body,  
2 impose a county sales tax, in conjunction with a property tax reduction for each  
3 year in which the sales tax is imposed, for the benefit of such county in  
4 accordance with the provisions of sections 67.500 to 67.545; provided, however,  
5 that no ordinance or order enacted pursuant to the authority granted by the  
6 provisions of sections 67.500 to 67.545 shall be effective unless the governing  
7 body of the county submits to the voters of the county, at a county or state  
8 general, primary or special election, a proposal to authorize the governing body  
9 of the county to impose a tax and reduce property taxes under the provisions of  
10 sections 67.500 to 67.545.

11 2. The ballot of submission shall contain, but need not be limited to, the  
12 following language:

13 Shall the county of \_\_\_\_\_ (county's name) impose a countywide  
14 sales tax of \_\_\_\_\_ (insert amount) and reduce its total property tax  
15 levy annually by \_\_\_\_\_ (insert amount) percent of the total amount  
16 of sales tax revenue collected in the same tax year?

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

17 ☐ YES ☐ NO

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

21 If a majority of the votes cast on the proposal by the qualified voters voting  
22 thereon are in favor of the proposal, then the ordinance or order and any  
23 amendments thereto shall be in effect. If a majority of the votes cast by the  
24 qualified voters voting are opposed to the proposal, then the governing body of the  
25 county shall have no power to impose the sales tax and reduce the property tax  
26 as herein authorized unless and until the governing body of the county shall  
27 again have submitted another proposal to authorize the governing body of the  
28 county to impose the sales tax and reduce the property tax under the provisions  
29 of sections 67.500 to 67.545 and such proposal is approved by a majority of the  
30 qualified voters voting thereon.

31 3. The sales tax may be imposed at a rate of one-fourth of one percent,  
32 three-eighths of one percent or one-half of one percent on the receipts from the  
33 sale at retail of all tangible personal property or taxable services at retail within  
34 any county adopting such tax, if such property and services are subject to  
35 taxation by the state of Missouri under the provisions of sections 144.010 to  
36 144.525. Each year in which a sales tax is imposed under the provisions of  
37 sections 67.500 to 67.545, the county shall, after determining its budget,  
38 excluding funds required to be set aside and placed to the credit of special road  
39 districts, within the limits set by the constitution and laws of this state for the  
40 following calendar year and the total property tax levy needed to raise the  
41 revenues required by such budget, reduce that total property tax levy in an  
42 amount sufficient to decrease the total property taxes it will collect by an amount  
43 equal to one of the following:

44 (1) Fifty percent of the sales tax revenue collected in the tax year for  
45 which the property taxes are being levied;

46 (2) Sixty percent of the sales tax revenue collected in the tax year for  
47 which the property taxes are being levied;

48 (3) Seventy percent of the sales tax revenue collected in the tax year for  
49 which the property taxes are being levied;

50 (4) Eighty percent of the sales tax revenue collected in the tax year for  
51 which the property taxes are being levied;

52 (5) Ninety percent of the sales tax revenue collected in the tax year for

53 which the property taxes are being levied;

54 (6) One hundred percent of the sales tax revenue collected in the tax year  
55 for which the property taxes are being levied;  
56 provided that, in the event that in the immediately preceding year a county  
57 actually collected more or less sales tax revenue than the amount determined  
58 under subdivision (4) of section 67.500, the county shall adjust its total property  
59 tax levy for the current year to reflect such increase or decrease.

60 **4. No county in this state shall impose a tax under this section**  
61 **for the purpose of funding in whole or in part the construction,**  
62 **operation, or maintenance of any zoological activities, zoological**  
63 **facilities, zoological organizations, the metropolitan zoological park**  
64 **and museum district as created under section 184.350, or any zoological**  
65 **boards.**

67.547. 1. In addition to the tax authorized by section 67.505, any county  
2 **as defined in section 67.750** may, by a majority vote of its governing body,  
3 impose an additional county sales tax on all sales which are subject to taxation  
4 under the provisions of sections 144.010 to 144.525. The tax authorized by this  
5 section shall be in addition to any and all other sales tax allowed by law; except  
6 that no ordinance or order imposing a sales tax under the provisions of this  
7 section shall be effective unless the governing body of the county submits to the  
8 voters of the county, at a county or state general, primary or special election, a  
9 proposal to authorize the governing body of the county to impose such tax.

10 2. The ballot of submission shall contain, but need not be limited to the  
11 following language:

12 Shall the county of ..... (county's name) impose a countywide  
13 sales tax of ..... (insert rate) percent **for the purpose of**  
14 **.....(insert purpose)?**

15 ☐ YES ☐ NO

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

19 If a majority of the votes cast on the proposal by the qualified voters voting  
20 thereon are in favor of the proposal, then the ordinance or order and any  
21 amendments thereto shall be in effect. If a majority of the votes cast by the  
22 qualified voters voting are opposed to the proposal, then the governing body of the  
23 county shall have no power to impose the sales tax as herein authorized unless

24 and until the governing body of the county submits another proposal to authorize  
25 the governing body of the county to impose the sales tax under the provisions of  
26 this section and such proposal is approved by a majority of the qualified voters  
27 voting thereon. **A county shall not submit to the voters a proposed sales**  
28 **tax under this section for a period of two years from the date of an**  
29 **election in which the county previously submitted to the voters a**  
30 **proposed sales tax under this section, regardless of whether the initial**  
31 **proposed sales tax was approved or disapproved by the voters. The**  
32 **revenue collected from the sales tax authorized under this section shall**  
33 **only be used for the purpose approved by voters of the county.**

34         3. The sales tax may be imposed at a rate of one-eighth of one percent,  
35 one-fourth of one percent, three-eighths of one percent, or one-half of one percent  
36 on the receipts from the sale at retail of all tangible personal property or taxable  
37 services at retail within any county adopting such tax[,] if such property and  
38 services are subject to taxation by the state of Missouri under the provisions of  
39 sections 144.010 to 144.525. **In any city not within a county or any county**  
40 **described in subsection 5 of this section, no sales tax for the purpose**  
41 **of funding zoological activities and zoological facilities as those terms**  
42 **are defined in section 184.500 shall exceed a rate of one-eighth of one**  
43 **percent unless the sales tax was levied and collected before August 28,**  
44 **2017. Beginning August 28, 2017, no county shall submit to the voters**  
45 **any proposal that results in a combined rate of sales taxes adopted**  
46 **under this section in excess of one percent.**

47         4. Except as modified in this section, all provisions of sections 32.085 and  
48 32.087 shall apply to the tax imposed under this section.

49         5. In any first class county having a charter form of government and  
50 having a population of nine hundred thousand or more, the proceeds of the sales  
51 tax authorized by this section shall be distributed so that an amount equal to  
52 three-eighths of the proceeds of the tax shall be distributed to the county and the  
53 remaining five-eighths shall be distributed to the cities, towns and villages and  
54 the unincorporated area of the county on the ratio that the population of each  
55 bears to the total population of the county. **Three-eighths of the tax rate**  
56 **adopted by such a county shall be included in the calculation of the**  
57 **county's one percent combined tax rate ceiling provided in subsection**  
58 **3 of this section.** The population of each city, town or village and the  
59 unincorporated area of the county and the total population of the county shall be

60 determined on the basis of the most recent federal decennial census. **The**  
61 **provisions of this subsection shall not apply if the revenue collected is**  
62 **used to support zoological activities of the zoological subdistrict as**  
63 **defined under section 184.352.**

64       **6. Except as prohibited under section 184.353, residents of any**  
65 **county that does not adopt a sales tax under this section for the**  
66 **purpose of supporting zoological activities may be charged an**  
67 **admission fee for zoological facilities, programs, or events that are not**  
68 **part of the zoological subdistrict defined under subsection 15 of section**  
69 **184.352 as of August 28, 2017.**

70       **7.** In any county of the second classification with more than nineteen  
71 thousand seven hundred but fewer than nineteen thousand eight hundred  
72 inhabitants, the proceeds of the sales tax authorized by this section shall be  
73 distributed so that an amount equal to three-fourths of the proceeds of the tax  
74 shall be distributed to the county and the remaining one-fourth shall be  
75 distributed equally among the incorporated cities, towns, and villages of the  
76 county. Upon request from any city, town, or village within the county, the  
77 county shall make available for inspection the distribution report provided to the  
78 county by the department of revenue. Any expenses incurred by the county in  
79 supplying such report to a city, town, or village shall be paid by such city, town,  
80 or village.

81       **[7.] 8.** In any first class county having a charter form of government and  
82 having a population of nine hundred thousand or more, no tax shall be imposed  
83 pursuant to this section for the purpose of funding in whole or in part the  
84 construction, operation or maintenance of a sports stadium, field house, indoor  
85 or outdoor recreational facility, center, playing field, parking facility or anything  
86 incidental or necessary to a complex suitable for any type of professional sport or  
87 recreation, either upon, above or below the ground.

88       **[8.] 9.** No county in this state, other than a county with a charter  
89 form of government and with more than nine hundred fifty thousand  
90 inhabitants and a city not within a county, shall impose a tax under  
91 this section for the purpose of funding in whole or in part the  
92 construction, operation, or maintenance of any zoological activities,  
93 zoological facilities, zoological organizations, the metropolitan  
94 zoological park and museum district as created under section 184.350,  
95 or any zoological boards.

96           **10.** The director of revenue may authorize the state treasurer to make  
97 refunds from the amounts in the trust fund and credited to any county for  
98 erroneous payments and overpayments made, and may redeem dishonored checks  
99 and drafts deposited to the credit of such counties. If any county abolishes the  
100 tax, the county shall notify the director of revenue of the action at least ninety  
101 days prior to the effective date of the repeal and the director of revenue may  
102 order retention in the trust fund, for a period of one year, of two percent of the  
103 amount collected after receipt of such notice to cover possible refunds or  
104 overpayment of the tax and to redeem dishonored checks and drafts deposited to  
105 the credit of such accounts. After one year has elapsed after the effective date of  
106 abolition of the tax in such county, the director of revenue shall remit the balance  
107 in the account to the county and close the account of that county. The director  
108 of revenue shall notify each county of each instance of any amount refunded or  
109 any check redeemed from receipts due the county.

110           11. No revenue received from a tax for the purpose of funding  
111   zoological activities in any county shall be used for the benefit of any  
112   entity that has ever been named Grant's Farm or is located at ten  
113   thousand five hundred one Gravois Road, Saint Louis, Missouri, or  
114   successor address, or to supplant any funding received from the  
115   metropolitan zoological park and museum district established under  
116   section 184.350.

94.510. 1. Any city may, by a majority vote of its council or governing  
2 body, impose a city sales tax for the benefit of such city in accordance with the  
3 provisions of sections 94.500 to 94.550; provided, however, that no ordinance  
4 enacted pursuant to the authority granted by the provisions of sections 94.500 to  
5 94.550 shall be effective unless the legislative body of the city submits to the  
6 voters of the city, at a public election, a proposal to authorize the legislative body  
7 of the city to impose a tax under the provisions of sections 94.500 to 94.550. The  
8 ballot of submission shall be in substantially the following form:

9            Shall the city of \_\_\_\_\_ (insert name of city) impose a city sales tax  
10            of \_\_\_\_\_ (insert rate of percent) percent?

11 ☐ YES ☐ NO

12 If a majority of the votes cast on the proposal by the qualified voters voting  
13 thereon are in favor of the proposal, then the ordinance and any amendments  
14 thereto shall be in effect. If a majority of the votes cast by the qualified voters  
15 voting are opposed to the proposal, then the legislative body of the city shall have

16 no power to impose the tax herein authorized unless and until the legislative  
17 body of the city shall again have submitted another proposal to authorize the  
18 legislative body of the city to impose the tax under the provisions of sections  
19 94.500 to 94.550, and such proposal is approved by a majority of the qualified  
20 voters voting thereon.

21         2. The sales tax may be imposed at a rate of one-half of one percent,  
22 seven-eighths of one percent or one percent on the receipts from the sale at retail  
23 of all tangible personal property or taxable services at retail within any city  
24 adopting such tax, if such property and services are subject to taxation by the  
25 state of Missouri under the provisions of sections 144.010 to 144.525; except that,  
26 each city not within a county may impose such tax at a rate not to exceed one and  
27 three-eighths percent. **Beginning August 28, 2017, no city shall submit to**  
28 **the voters any proposal that results in a combined rate of sales taxes**  
29 **adopted under this section in excess of two percent.**

30         3. If any city in which a city tax has been imposed in the manner provided  
31 for in sections 94.500 to 94.550 shall thereafter change or alter its boundaries,  
32 the city clerk of the city shall forward to the director of revenue by United States  
33 registered mail or certified mail a certified copy of the ordinance adding or  
34 detaching territory from the city. The ordinance shall reflect the effective date  
35 thereof, and shall be accompanied by a map of the city clearly showing the  
36 territory added thereto or detached therefrom. Upon receipt of the ordinance and  
37 map, the tax imposed by the act shall be effective in the added territory or  
38 abolished in the detached territory on the effective date of the change of the city  
39 boundary.

40         4. If any city abolishes the tax authorized under this section, the repeal  
41 of such tax shall become effective December thirty-first of the calendar year in  
42 which such abolishment was approved. Each city shall notify the director of  
43 revenue at least ninety days prior to the effective date of the expiration of the  
44 sales tax authorized by this section and the director of revenue may order  
45 retention in the trust fund, for a period of one year, of two percent of the amount  
46 collected after receipt of such notice to cover possible refunds or overpayment of  
47 such tax and to redeem dishonored checks and drafts deposited to the credit of  
48 such accounts. After one year has elapsed after the date of expiration of the tax  
49 authorized by this section in such city, the director of revenue shall remit the  
50 balance in the account to the city and close the account of that city. The director  
51 of revenue shall notify each city of each instance of any amount refunded or any

52 check redeemed from receipts due the city.

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