

HCS HB 129 -- EXEMPTION FOR DELIVERY CHARGES

SPONSOR: Engler

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Ways and Means by a vote of 12 to 0.

This bill authorizes a state and local sales and use tax exemption for usual and customary delivery charges connected to a purchase of tangible personal property when stated separately from the sale price.

PROPONENTS: Supporters say that after a Supreme Court decision, the Department of Revenue sent letters stating that sales tax must be paid on delivery charges causing confusion among businesses as to what delivery charges are taxable. Supporters want the law back to what was in place prior to the court decision. The law has always been that delivery fees are services as long as stated separately.

Testifying for the bill were Representative Engler; Missouri Concrete Association; Charles Pierce, Missouri Society of Certified Public Accountants; Associated Industries of Missouri; Missouri Chamber of Commerce and Industry; Missouri Grocers Association; Missouri Retailers Association; Missouri Canoe & Floaters Association; Missouri Rental Dealers Association; Missouri Limestone Producers Association; Missouri Budget Project; and National Federation of Independent Businesses.

OPPONENTS: There was no opposition voiced to the committee.

This bill is the same as SS SCS SB 16 (2017).