

FIRST REGULAR SESSION

# HOUSE BILL NO. 823

## 100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE FRANCIS.

0071H.011

DANA RADEMAN MILLER, Chief Clerk

### AN ACT

To amend chapter 144, RSMo, by adding thereto one new section relating to a sales and use tax exemption.

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

Section A. Chapter 144, RSMo, is amended by adding thereto one new section, to be known as section 144.528, to read as follows:

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

(1) "Building supplies", materials that will be permanently fixed to a building and that are directly used in the actual construction of the building. "Building supplies" may include, but are not limited to, lumber, concrete, roofing materials, flooring materials, plumbing supplies, doors, and windows;

(2) "Eligible county", a county of the third classification without a township form of government and with more than eighteen thousand but fewer than twenty thousand inhabitants and with a city of the fourth classification with more than eight thousand but fewer than nine thousand inhabitants as the county seat.

2. Beginning on January 1, 2020, and continuing for a period of five years, subject to the provisions of subsection 3 of this section, purchases of building supplies for the construction of unattached single-family residences within an eligible county are hereby specifically exempted from all state and local sales and use tax including, but not limited to, sales and use tax authorized or imposed under section 32.085 and chapter 144. This exemption shall apply only to purchase amounts of up to two hundred fifty thousand dollars per each construction of an unattached single-family residence.

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           **3. A taxpayer must receive a sales and use tax exemption letter from the**  
18 **department of revenue before such taxpayer is entitled to the exemption authorized under**  
19 **this section. The department of revenue shall design and publish an application for**  
20 **taxpayers to receive such a letter. The application shall require the taxpayer planning to**  
21 **purchase building supplies for the construction of an unattached single-family residence**  
22 **in an eligible county to provide all relevant information about such planned construction**  
23 **and to provide copies of any building permits that may be required to complete such**  
24 **planned construction. The department of revenue shall issue a sales and use tax exemption**  
25 **letter upon approval of a taxpayer's application. The letter shall clearly state that the**  
26 **taxpayer is exempt from all sales and use tax on all purchases of building supplies for the**  
27 **construction of the unattached single-family residence, up to the dollar amount specified**  
28 **in subsection 2 of this section.**

29           **4. The exemption created under this section shall be in addition to all other sales**  
30 **and use tax exemptions provided by law.**

31           **5. The department of revenue shall promulgate rules and regulations as may be**  
32 **necessary to effectuate the provisions of this section. Any rule or portion of a rule, as that**  
33 **term is defined in section 536.010, that is created under the authority delegated in this**  
34 **section shall become effective only if it complies with and is subject to all of the provisions**  
35 **of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**  
36 **nonseverable, and if any of the powers vested with the general assembly pursuant to**  
37 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**  
38 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**  
39 **proposed or adopted after August 28, 2019, shall be invalid and void.**

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