

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR  
**HOUSE BILL NO. 626**  
**100TH GENERAL ASSEMBLY**

1443H.05C

DANA RADEMAN MILLER, Chief Clerk

---

**AN ACT**

To repeal sections 144.070 and 301.032, RSMo, and to enact in lieu thereof two new sections relating to motor vehicles.

---

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

Section A. Sections 144.070 and 301.032, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 144.070 and 301.032, to read as follows:

144.070. 1. At the time the owner of any new or used motor vehicle, trailer, boat, or  
2 outboard motor which was acquired in a transaction subject to sales tax under the Missouri sales  
3 tax law makes application to the director of revenue for an official certificate of title and the  
4 registration of the motor vehicle, trailer, boat, or outboard motor as otherwise provided by law,  
5 the owner shall present to the director of revenue evidence satisfactory to the director of revenue  
6 showing the purchase price exclusive of any charge incident to the extension of credit paid by  
7 or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard  
8 motor, or that no sales tax was incurred in its acquisition, and if sales tax was incurred in its  
9 acquisition, the applicant shall pay or cause to be paid to the director of revenue the sales tax  
10 provided by the Missouri sales tax law in addition to the registration fees now or hereafter  
11 required according to law, and the director of revenue shall not issue a certificate of title for any  
12 new or used motor vehicle, trailer, boat, or outboard motor subject to sales tax as provided in the  
13 Missouri sales tax law until the tax levied for the sale of the same under sections 144.010 to  
14 144.510 has been paid as provided in this section or is registered under the provisions of  
15 subsection 5 of this section.

16 2. As used in subsection 1 of this section, the term "purchase price" shall mean the total  
17 amount of the contract price agreed upon between the seller and the applicant in the acquisition

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.

18 of the motor vehicle, trailer, boat, or outboard motor, regardless of the medium of payment therefor.

19 3. In the event that the purchase price is unknown or undisclosed, or that the evidence  
20 thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisement by  
21 the director.

22 4. The director of the department of revenue shall endorse upon the official certificate  
23 of title issued by the director upon such application an entry showing that such sales tax has been  
24 paid or that the motor vehicle, trailer, boat, or outboard motor represented by such certificate is  
25 exempt from sales tax and state the ground for such exemption.

26 5. Any person, company, or corporation engaged in the business of renting or leasing  
27 motor vehicles, trailers, boats, or outboard motors, which are to be used exclusively for rental  
28 or lease purposes, and not for resale, may apply to the director of revenue for authority to operate  
29 as a leasing **or rental company and pay an annual fee of two hundred fifty dollars for such**  
30 **authority.** Any company approved by the director of revenue may pay the tax due on any motor  
31 vehicle, trailer, boat, or outboard motor as required in section 144.020 at the time of registration  
32 thereof or in lieu thereof may pay a sales tax as provided in sections 144.010, 144.020, 144.070  
33 and 144.440. A sales tax shall be charged to and paid by a leasing company which does not  
34 exercise the option of paying in accordance with section 144.020, on the amount charged for  
35 each rental or lease agreement while the motor vehicle, trailer, boat, or outboard motor is  
36 domiciled in this state. Any motor vehicle, trailer, boat, or outboard motor which is leased as  
37 the result of a contract executed in this state shall be presumed to be domiciled in this state.

38 6. **Every applicant to be a lease or rental company shall furnish with the**  
39 **application a corporate surety bond or irrevocable letter of credit, as defined in section**  
40 **400.5-102, issued by any state or federal financial institution in the penal sum of one**  
41 **hundred thousand dollars, on a form approved by the department. The bond or**  
42 **irrevocable letter of credit shall be conditioned upon the lease or rental company**  
43 **complying with the provisions of any statutes applicable to lease or rental companies, and**  
44 **the bond shall be an indemnity for any loss sustained by reason of the acts of the person**  
45 **bonded when such acts constitute grounds for the suspension or revocation of the lease or**  
46 **rental license. The bond shall be executed in the name of the state of Missouri for the**  
47 **benefit of all aggrieved parties or the irrevocable letter of credit shall name the state of**  
48 **Missouri as the beneficiary; except that, the aggregate liability of the surety or financial**  
49 **institution to the aggrieved parties shall, in no event, exceed the amount of the bond or**  
50 **irrevocable letter of credit. The proceeds of the bond or irrevocable letter of credit shall**  
51 **be paid upon receipt by the department of a final judgment from a Missouri court of**  
52 **competent jurisdiction against the principal and in favor of an aggrieved party.**

53           7. Any corporation may have one or more of its divisions separately apply to the director  
54 of revenue for authorization to operate as a leasing company, provided that the corporation:

55           (1) Has filed a written consent with the director authorizing any of its divisions to apply  
56 for such authority;

57           (2) Is authorized to do business in Missouri;

58           (3) Has agreed to treat any sale of a motor vehicle, trailer, boat, or outboard motor from  
59 one of its divisions to another of its divisions as a sale at retail;

60           (4) Has registered under the fictitious name provisions of sections 417.200 to 417.230  
61 each of its divisions doing business in Missouri as a leasing company; and

62           (5) Operates each of its divisions on a basis separate from each of its other divisions.  
63 However, when the transfer of a motor vehicle, trailer, boat or outboard motor occurs within a  
64 corporation which holds a license to operate as a motor vehicle or boat dealer pursuant to  
65 sections 301.550 to 301.573 the provisions in subdivision (3) of this subsection shall not apply.

66       ~~[7.]~~ 8. If the owner of any motor vehicle, trailer, boat, or outboard motor desires to  
67 charge and collect sales tax as provided in this section, the owner shall make application to the  
68 director of revenue for a permit to operate as a motor vehicle, trailer, boat, or outboard motor  
69 leasing company. The director of revenue shall promulgate rules and regulations determining  
70 the qualifications of such a company, and the method of collection and reporting of sales tax  
71 charged and collected. Such regulations shall apply only to owners of motor vehicles, trailers,  
72 boats, or outboard motors, electing to qualify as motor vehicle, trailer, boat, or outboard motor  
73 leasing companies under the provisions of subsection 5 of this section, and no motor vehicle  
74 renting or leasing, trailer renting or leasing, or boat or outboard motor renting or leasing  
75 company can come under sections 144.010, 144.020, 144.070 and 144.440 unless all motor  
76 vehicles, trailers, boats, and outboard motors held for renting and leasing are included.

77       **9. Any person, company, or corporation engaged in the business of renting or**  
78 **leasing three thousand five hundred or more motor vehicles which are to be used**  
79 **exclusively for rental or leasing purposes and not for resale, and that has applied to the**  
80 **director of revenue for authority to operate as a leasing company may also operate as a**  
81 **registered fleet owner as prescribed in section 301.032.**

82       ~~[8.]~~ 10. Beginning July 1, 2010, any motor vehicle dealer licensed under section 301.560  
83 engaged in the business of selling motor vehicles or trailers may apply to the director of revenue  
84 for authority to collect and remit the sales tax required under this section on all motor vehicles  
85 sold by the motor vehicle dealer. A motor vehicle dealer receiving authority to collect and remit  
86 the tax is subject to all provisions under sections 144.010 to 144.525. Any motor vehicle dealer  
87 authorized to collect and remit sales taxes on motor vehicles under this subsection shall be  
88 entitled to deduct and retain an amount equal to two percent of the motor vehicle sales tax

89 pursuant to section 144.140. Any amount of the tax collected under this subsection that is  
90 retained by a motor vehicle dealer pursuant to section 144.140 shall not constitute state revenue.  
91 In no event shall revenues from the general revenue fund or any other state fund be utilized to  
92 compensate motor vehicle dealers for their role in collecting and remitting sales taxes on motor  
93 vehicles. In the event this subsection or any portion thereof is held to violate Article IV, Section  
94 30(b) of the Missouri Constitution, no motor vehicle dealer shall be authorized to collect and  
95 remit sales taxes on motor vehicles under this section. No motor vehicle dealer shall seek  
96 compensation from the state of Missouri or its agencies if a court of competent jurisdiction  
97 declares that the retention of two percent of the motor vehicle sales tax is unconstitutional and  
98 orders the return of such revenues.

301.032. 1. Notwithstanding the provisions of sections 301.030 and 301.035 to the  
2 contrary, the director of revenue shall establish a system of registration of all fleet vehicles  
3 owned or purchased by a fleet owner registered pursuant to this section. The director of revenue  
4 shall prescribe the forms for such fleet registration and the forms and procedures for the  
5 registration updates prescribed in this section. Any owner of ten or more motor vehicles which  
6 must be registered in accordance with this chapter may register as a fleet owner. All registered  
7 fleet owners may, at their option, register all motor vehicles included in the fleet on a calendar  
8 year or biennial basis pursuant to this section in lieu of the registration periods provided in  
9 sections 301.030, 301.035, and 301.147. The director shall issue an identification number to  
10 each registered owner of fleet vehicles.

11 2. All fleet vehicles included in the fleet of a registered fleet owner shall be registered  
12 during April of the corresponding year or on a prorated basis as provided in subsection 3 of this  
13 section. Fees of all vehicles in the fleet to be registered on a calendar year basis or on a biennial  
14 basis shall be payable not later than the last day of April of the corresponding year, with two  
15 years' fees due for biennially-registered vehicles. Notwithstanding the provisions of section  
16 307.355, an application for registration of a fleet vehicle must be accompanied by a certificate  
17 of inspection and approval issued no more than one hundred twenty days prior to the date of  
18 application. The fees for vehicles added to the fleet which must be licensed at the time of  
19 registration shall be payable at the time of registration, except that when such vehicle is licensed  
20 between July first and September thirtieth the fee shall be three-fourths the annual fee, when  
21 licensed between October first and December thirty-first the fee shall be one-half the annual fee  
22 and when licensed on or after January first the fee shall be one-fourth the annual fee. When  
23 biennial registration is sought for vehicles added to a fleet, an additional year's annual fee will  
24 be added to the partial year's prorated fee.

25 3. At any time during the calendar year in which an owner of a fleet purchases or  
26 otherwise acquires a vehicle which is to be added to the fleet or transfers plates to a fleet vehicle,

27 the owner shall present to the director of revenue the identification number as a fleet number and  
28 may register the vehicle for the partial year as provided in subsection 2 of this section. The fleet  
29 owner shall also be charged a transfer fee of two dollars for each vehicle so transferred pursuant  
30 to this subsection.

31 4. Except as specifically provided in this subsection, all fleet vehicles registered pursuant  
32 to this section shall be issued a special license plate which shall have the words "Fleet Vehicle"  
33 in place of the words "Show-Me State" in the manner prescribed by the advisory committee  
34 established in section 301.129. Alternatively, for a one-time additional five dollar per-vehicle  
35 fee beyond the regular registration fee, a fleet owner of at least fifty fleet vehicles may apply for  
36 fleet license plates bearing a company name or logo, the size and design thereof subject to  
37 approval by the director. All fleet license plates shall be made with fully reflective material with  
38 a common color scheme and design, shall be clearly visible at night, and shall be aesthetically  
39 attractive, as prescribed by section 301.130. Fleet vehicles shall be issued multiyear license  
40 plates as provided in this section which shall not require issuance of a renewal tab. Upon  
41 payment of appropriate registration fees, the director of revenue shall issue a registration  
42 certificate or other suitable evidence of payment of the annual or biennial fee, and such evidence  
43 of payment shall be carried at all times in the vehicle for which it is issued. ~~[The director of~~  
44 ~~revenue shall promulgate rules and regulations establishing the procedure for application and~~  
45 ~~issuance of fleet vehicle license plates.]~~

46 5. Notwithstanding the provisions of sections 307.350 to 307.390 to the contrary, a fleet  
47 vehicle registered in Missouri is exempt from the requirements of sections 307.350 to 307.390  
48 if at the time of the annual fleet registration, such fleet vehicle is situated outside the state of  
49 Missouri.

50 6. **Notwithstanding any other provisions of law to the contrary, any person,**  
51 **company, or corporation engaged in the business of renting or leasing three thousand five**  
52 **hundred or more motor vehicles which are to be used exclusively for rental or leasing**  
53 **purposes and not for resale, that has applied to the director of revenue for authority to**  
54 **operate as a lease or rental company as prescribed in section 144.070 may operate as a**  
55 **registered fleet owner as prescribed in the provisions of this subsection to subsection 10 of**  
56 **this section.**

57 (1) **The director of revenue may issue license plates after presentment of an**  
58 **application, as designed by the director, and payment of an annual fee of three hundred**  
59 **sixty dollars for the first ten plates and thirty-six dollars for each additional plate. The**  
60 **payment and issuance of such plates shall be in lieu of registering each motor vehicle with**  
61 **the director as otherwise provided by law.**

62           (2) Such motor vehicles within the fleet shall not be exempted from the safety  
63 inspection and emissions inspection provisions as prescribed in chapters 307 and 643, but  
64 notwithstanding the provisions of section 307.355, such inspections shall not be required  
65 to be presented to the director of revenue.

66           7. A recipient of a lease or rental company license issued by the director of revenue  
67 as prescribed in section 144.070 operating as a registered fleet owner under this section  
68 shall register such fleet with the director of revenue on an annual or biennial basis in lieu  
69 of the individual motor vehicle registration periods as prescribed in sections 301.030,  
70 301.035, and 301.147. If an applicant elects a biennial fleet registration, the annual fleet  
71 license plate fees prescribed in subdivision (1) of subsection 6 of this section shall be  
72 doubled. An agent fee as prescribed in subdivision (1) of subsection 1 of section 136.055  
73 shall apply to the issuance of fleet registrations issued under subsections 6 to 10 of this  
74 section, and if a biennial fleet registration is elected, the agent fee shall be collected in an  
75 amount equal to the fee for two years.

76           8. Prior to the issuance of fleet license plates under subsections 6 to 10 of this  
77 section, the applicant shall provide proof of insurance as required under section 303.024  
78 or 303.026.

79           9. The authority of a recipient of a lease or rental company license issued by the  
80 director of revenue as prescribed in section 144.070 to operate as a fleet owner as provided  
81 in this section shall expire on January 1 of the licensure period.

82           10. A lease or rental company operating fleet license plates issued under subsections  
83 6 to 10 of this section shall make available, upon request, to the director of revenue and all  
84 Missouri law enforcement agencies any corresponding vehicle and registration information  
85 that may be requested as prescribed by rule.

86           11. The director shall make all necessary rules and regulations for the  
87 administration of this section and shall design all necessary forms required by this section.  
88 Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
89 under the authority delegated in this section shall become effective only if it complies with  
90 and is subject to all the provisions of chapter 536 and, if applicable, section 536.028. This  
91 section and chapter 536 are nonseverable and if any of the powers vested with the general  
92 assembly under chapter 536 to review, to delay the effective date, or to disapprove and  
93 annul a rule are subsequently held unconstitutional, then the grant of rulemaking  
94 authority and any rule proposed or adopted after August 28, 2019, shall be invalid and  
95 void.

✓