

FIRST REGULAR SESSION

# HOUSE BILL NO. 1173

## 100TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE TOALSON REISCH.

2391H.011

DANA RADEMAN MILLER, Chief Clerk

---

### AN ACT

To repeal section 94.900, RSMo, and to enact in lieu thereof one new section relating to sales taxes.

---

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

Section A. Section 94.900, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.900, to read as follows:

94.900. 1. (1) The governing body of the following cities may impose a tax as provided in this section:

(a) Any city of the third classification with more than ten thousand eight hundred but less than ten thousand nine hundred inhabitants located at least partly within a county of the first classification with more than one hundred eighty-four thousand but less than one hundred eighty-eight thousand inhabitants;

(b) Any city of the fourth classification with more than four thousand five hundred but fewer than five thousand inhabitants;

(c) Any city of the fourth classification with more than eight thousand nine hundred but fewer than nine thousand inhabitants;

(d) Any home rule city with more than forty-eight thousand but fewer than forty-nine thousand inhabitants;

(e) Any home rule city with more than seventy-three thousand but fewer than seventy-five thousand inhabitants;

(f) Any city of the fourth classification with more than thirteen thousand five hundred but fewer than sixteen thousand inhabitants;

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 (g) Any city of the fourth classification with more than seven thousand but fewer than  
18 eight thousand inhabitants;

19 (h) Any city of the fourth classification with more than four thousand but fewer than four  
20 thousand five hundred inhabitants and located in any county of the first classification with more  
21 than one hundred fifty thousand but fewer than two hundred thousand inhabitants; ~~or~~

22 (i) Any city of the third classification with more than thirteen thousand but fewer than  
23 fifteen thousand inhabitants and located in any county of the third classification without a  
24 township form of government and with more than thirty-three thousand but fewer than  
25 thirty-seven thousand inhabitants; **or**

26 **(j) Any city of the fourth classification with more than one thousand three hundred**  
27 **fifty but fewer than one thousand five hundred inhabitants and located in any county of**  
28 **the first classification with more than one hundred fifty thousand but fewer than two**  
29 **hundred thousand inhabitants.**

30 (2) The governing body of any city listed in subdivision (1) of this subsection is hereby  
31 authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half of one  
32 percent on all retail sales made in such city which are subject to taxation under the provisions  
33 of sections 144.010 to 144.525 for the purpose of improving the public safety for such city,  
34 including but not limited to expenditures on equipment, city employee salaries and benefits, and  
35 facilities for police, fire and emergency medical providers. The tax authorized by this section  
36 shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or  
37 order imposing a sales tax pursuant to the provisions of this section shall be effective unless the  
38 governing body of the city submits to the voters of the city, at a county or state general, primary  
39 or special election, a proposal to authorize the governing body of the city to impose a tax.

40 2. If the proposal submitted involves only authorization to impose the tax authorized by  
41 this section, the ballot of submission shall contain, but need not be limited to, the following  
42 language:

43 Shall the city of \_\_\_\_\_ (city's name) impose a citywide sales tax of \_\_\_\_\_  
44 (insert amount) for the purpose of improving the public safety of the city?

45  YES  NO

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

48

49 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
50 of the proposal submitted pursuant to this subsection, then the ordinance or order and any  
51 amendments thereto shall be in effect on the first day of the second calendar quarter after the  
52 director of revenue receives notification of adoption of the local sales tax. If a proposal receives

53 less than the required majority, then the governing body of the city shall have no power to  
54 impose the sales tax herein authorized unless and until the governing body of the city shall again  
55 have submitted another proposal to authorize the governing body of the city to impose the sales  
56 tax authorized by this section and such proposal is approved by the required majority of the  
57 qualified voters voting thereon. However, in no event shall a proposal pursuant to this section  
58 be submitted to the voters sooner than twelve months from the date of the last proposal pursuant  
59 to this section.

60           3. All revenue received by a city from the tax authorized under the provisions of this  
61 section shall be deposited in a special trust fund and shall be used solely for improving the public  
62 safety for such city for so long as the tax shall remain in effect.

63           4. Once the tax authorized by this section is abolished or is terminated by any means, all  
64 funds remaining in the special trust fund shall be used solely for improving the public safety for  
65 the city. Any funds in such special trust fund which are not needed for current expenditures may  
66 be invested by the governing body in accordance with applicable laws relating to the investment  
67 of other city funds.

68           5. All sales taxes collected by the director of the department of revenue under this  
69 section on behalf of any city, less one percent for cost of collection which shall be deposited in  
70 the state's general revenue fund after payment of premiums for surety bonds as provided in  
71 section 32.087, shall be deposited in a special trust fund, which is hereby created, to be known  
72 as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund shall not be  
73 deemed to be state funds and shall not be commingled with any funds of the state. The  
74 provisions of section 33.080 to the contrary notwithstanding, money in this fund shall not be  
75 transferred and placed to the credit of the general revenue fund. The director of the department  
76 of revenue shall keep accurate records of the amount of money in the trust and which was  
77 collected in each city imposing a sales tax pursuant to this section, and the records shall be open  
78 to the inspection of officers of the city and the public. Not later than the tenth day of each month  
79 the director of the department of revenue shall distribute all moneys deposited in the trust fund  
80 during the preceding month to the city which levied the tax; such funds shall be deposited with  
81 the city treasurer of each such city, and all expenditures of funds arising from the trust fund shall  
82 be by an appropriation act to be enacted by the governing body of each such city. Expenditures  
83 may be made from the fund for any functions authorized in the ordinance or order adopted by  
84 the governing body submitting the tax to the voters.

85           6. The director of the department of revenue may make refunds from the amounts in the  
86 trust fund and credited to any city for erroneous payments and overpayments made, and may  
87 redeem dishonored checks and drafts deposited to the credit of such cities. If any city abolishes  
88 the tax, the city shall notify the director of the department of revenue of the action at least ninety

89 days prior to the effective date of the repeal and the director of the department of revenue may  
90 order retention in the trust fund, for a period of one year, of two percent of the amount collected  
91 after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem  
92 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed  
93 after the effective date of abolition of the tax in such city, the director of the department of  
94 revenue shall remit the balance in the account to the city and close the account of that city. The  
95 director of the department of revenue shall notify each city of each instance of any amount  
96 refunded or any check redeemed from receipts due the city.

97 7. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall  
98 apply to the tax imposed pursuant to this section.

✓