

SECOND REGULAR SESSION

# HOUSE BILL NO. 1309

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHULL (16).

3050H.011

DANA RADEMAN MILLER, Chief Clerk

## AN ACT

To repeal section 94.902, 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Section A. Section 94.902, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.902, to read as follows:

94.902. 1. The governing bodies of the following cities **or villages** may impose a tax as provided in this section:

(1) Any city of the third classification with more than twenty-six thousand three hundred but less than twenty-six thousand seven hundred inhabitants;

(2) Any city of the fourth classification with more than thirty thousand three hundred but fewer than thirty thousand seven hundred inhabitants;

(3) Any city of the fourth classification with more than twenty-four thousand eight hundred but fewer than twenty-five thousand inhabitants;

(4) Any special charter city with more than twenty-nine thousand but fewer than thirty-two thousand inhabitants;

(5) Any city of the third classification with more than four thousand but fewer than four thousand five hundred inhabitants and located in any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants;

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

(7) Any city of the fourth classification with more than five hundred eighty but fewer than six hundred fifty 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.

18 (8) Any city of the fourth classification with more than two thousand seven hundred but  
 19 fewer than three thousand inhabitants and located in any county of the first classification with  
 20 more than eighty-three thousand but fewer than ninety-two thousand inhabitants; ~~[or]~~

21 (9) Any city of the fourth classification with more than two thousand four hundred but  
 22 fewer than two thousand seven hundred inhabitants and located in any county of the third  
 23 classification without a township form of government and with more than ten thousand but fewer  
 24 than twelve thousand inhabitants; **or**

25 **(10) Any village with more than one thousand three hundred fifty but fewer than**  
 26 **one thousand five hundred inhabitants and located in any county of the first classification**  
 27 **with more than two hundred thousand but fewer than two hundred sixty thousand**  
 28 **inhabitants.**

29 2. The governing body of any city **or village** listed in subsection 1 of this section may  
 30 impose, by order or ordinance, a sales tax on all retail sales made in the city **or village** which are  
 31 subject to taxation under chapter 144. The tax authorized in this section may be imposed in an  
 32 amount of up to one-half of one percent, and shall be imposed solely for the purpose of  
 33 improving the public safety for such city~~;~~ **or village** including, but not limited to, expenditures  
 34 on equipment, city **or village** employee salaries and benefits, and facilities for police, fire, and  
 35 emergency medical providers. The tax authorized in this section shall be in addition to all other  
 36 sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The  
 37 order or ordinance imposing a sales tax under this section shall not become effective unless the  
 38 governing body of the city **or village** submits to the voters residing within the city **or village**, at  
 39 a county or state general, primary, or special election, a proposal to authorize the governing body  
 40 of the city **or village** to impose a tax under this section.

41 3. The ballot of submission for the tax authorized in this section shall be in substantially  
 42 the following form:

43 Shall the (city/village) of \_\_\_\_\_ (~~[city's]~~ **insert** name) impose a  
 44 (citywide/villagewide) sales tax at a rate of \_\_\_\_\_ (insert ~~[rate of percent]~~  
 45 **percentage**) percent for the purpose of improving the public safety of the  
 46 (city/village)?

47  YES  NO

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

50

51 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
 52 of the proposal, then the ordinance or order and any amendments to the order or ordinance shall  
 53 become effective on the first day of the second calendar quarter after the director of revenue

54 receives notice of the adoption of the sales tax. If a majority of the votes cast on the proposal  
55 by the qualified voters voting thereon are opposed to the proposal, then the tax shall not become  
56 effective unless the proposal is resubmitted under this section to the qualified voters and such  
57 proposal is approved by a majority of the qualified voters voting on the proposal. However, in  
58 no event shall a proposal under this section be submitted to the voters sooner than twelve months  
59 from the date of the last proposal under this section.

60 4. Any sales tax imposed under this section shall be administered, collected, enforced,  
61 and operated as required in section 32.087. All sales taxes collected by the director of the  
62 department of revenue under this section on behalf of any city **or village**, less one percent for  
63 cost of collection which shall be deposited in the state's general revenue fund after payment of  
64 premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust  
65 fund, which is hereby created in the state treasury, to be known as the "City Public Safety Sales  
66 Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall  
67 not be commingled with any funds of the state. The provisions of section 33.080 to the contrary  
68 notwithstanding, money in this fund shall not be transferred and placed to the credit of the  
69 general revenue fund. The director shall keep accurate records of the amount of money in the  
70 trust fund and which was collected in each city **or village** imposing a sales tax under this section,  
71 and the records shall be open to the inspection of officers of the city **or village** and the public.  
72 Not later than the tenth day of each month the director shall distribute all moneys deposited in  
73 the trust fund during the preceding month to the city **or village** which levied the tax. Such funds  
74 shall be deposited with the city **or village** treasurer of each such city **or village**, and all  
75 expenditures of funds arising from the trust fund shall be by an appropriation act to be enacted  
76 by the governing body of each such city **or village**. Expenditures may be made from the fund  
77 for any functions authorized in the ordinance or order adopted by the governing body submitting  
78 the tax to the voters. If the tax is repealed, all funds remaining in the special trust fund shall  
79 continue to be used solely for the designated purposes. Any funds in the special trust fund which  
80 are not needed for current expenditures shall be invested in the same manner as other funds are  
81 invested. Any interest and moneys earned on such investments shall be credited to the fund.

82 5. The director of ~~the department of~~ revenue may authorize the state treasurer to make  
83 refunds from the amounts in the trust fund and credited to any city **or village** for erroneous  
84 payments and overpayments made, and may redeem dishonored checks and drafts deposited to  
85 the credit of such cities **or villages**. If any city **or village** abolishes the tax, the city **or village**  
86 shall notify the director of the action at least ninety days before the effective date of the repeal,  
87 and the director may order retention in the trust fund, for a period of one year, of two percent of  
88 the amount collected after receipt of such notice to cover possible refunds or overpayment of the  
89 tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After

90 one year has elapsed after the effective date of abolition of the tax in such city **or village**, the  
91 director shall remit the balance in the account to the city and close the account of that city **or**  
92 **village**. The director shall notify each city **or village** of each instance of any amount refunded  
93 or any check redeemed from receipts due the city **or village**.

94 6. The governing body of any city **or village** that has adopted the sales tax authorized  
95 in this section may submit the question of repeal of the tax to the voters on any date available for  
96 elections for the city **or village**. The ballot of submission shall be in substantially the following  
97 form:

98 Shall \_\_\_\_\_ (insert the name of the city **or village**) repeal the sales tax imposed  
99 at a rate of \_\_\_\_\_ (insert ~~rate of percent~~ **percentage**) percent for the purpose  
100 of improving the public safety of the (city/**village**)?

101  YES  NO

102

103 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become  
104 effective on December thirty-first of the calendar year in which such repeal was approved. If a  
105 majority of the votes cast on the question by the qualified voters voting thereon are opposed to  
106 the repeal, then the sales tax authorized in this section shall remain effective until the question  
107 is resubmitted under this section to the qualified voters, and the repeal is approved by a majority  
108 of the qualified voters voting on the question.

109 7. Whenever the governing body of any city **or village** that has adopted the sales tax  
110 authorized in this section receives a petition, signed by ten percent of the registered voters of the  
111 city **or village** voting in the last gubernatorial election, calling for an election to repeal the sales  
112 tax imposed under this section, the governing body shall submit to the voters of the city **or**  
113 **village** a proposal to repeal the tax. If a majority of the votes cast on the question by the  
114 qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on  
115 December thirty-first of the calendar year in which such repeal was approved. If a majority of  
116 the votes cast on the question by the qualified voters voting thereon are opposed to the repeal,  
117 then the tax shall remain effective until the question is resubmitted under this section to the  
118 qualified voters and the repeal is approved by a majority of the qualified voters voting on the  
119 question.

120 8. Any sales tax imposed under this section by a city described under subdivision (6) of  
121 subsection 1 of this section that is in effect as of December 31, 2038, shall automatically expire.  
122 No city described under subdivision (6) of subsection 1 of this section shall collect a sales tax  
123 pursuant to this section on or after January 1, 2039. Subsection 7 of this section shall not apply  
124 to a sales tax imposed under this section by a city described under subdivision (6) of subsection  
125 1 of this section.

126           9. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall  
127 apply to the tax imposed under this section.

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