

HOUSE BILL NO. 2180

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KELLEY (127).

4686H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 94.838, RSMo, and to enact in lieu thereof one new section relating to taxation.

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

Section A. Section 94.838, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.838, to read as follows:

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

(1) "Food", all articles commonly used for food or drink, including alcoholic beverages, the provisions of chapter 311 notwithstanding;

(2) "Food establishment", any cafe, cafeteria, lunchroom, or restaurant which sells food at retail;

(3) "Municipality", any village or fourth class city with more than two hundred but less than three hundred inhabitants and located in any county of the third classification with a township form of government and with more than twelve thousand five hundred but less than twelve thousand six hundred inhabitants;

(4) "Transient guest", a person or persons who occupy a room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.

2. The governing body of any municipality may impose, by order or ordinance:

(1) A tax, not to exceed six percent per room per night, on the charges for all sleeping rooms paid by the transient guests of hotels or motels situated in the municipality or a portion thereof; and

(2) A tax, not to exceed ~~two~~ **six** percent, on the gross receipts derived from the retail sales of food by every person operating a food establishment in the municipality.

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.

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19 The taxes shall be imposed solely for [~~the purpose of funding the construction, maintenance, and~~
 20 ~~operation of capital improvements]~~ **general revenue purposes**. The order or ordinance shall not
 21 become effective unless the governing body of the municipality submits to the voters of the
 22 municipality at a state general or primary election a proposal to authorize the governing body of
 23 the municipality to impose taxes under this section. The taxes authorized in this section shall
 24 be in addition to the charge for the sleeping room, the retail sales of food at a food establishment,
 25 and all other taxes imposed by law, and shall be stated separately from all other charges and
 26 taxes.

27 3. The ballot of submission for the taxes authorized in this section shall be in
 28 substantially the following form:

29 Shall _____ (insert the name of the municipality) impose a tax on the charges
 30 for all retail sales of food at a food establishment situated in _____ (name of
 31 municipality) at a rate of _____ (insert rate of percent) percent, and for all
 32 sleeping rooms paid by the transient guests of hotels and motels situated in
 33 _____ (name of municipality) at a rate of _____ (insert rate of percent) percent,
 34 solely for the purpose of [~~funding the construction, maintenance, and operation~~
 35 ~~of capital improvements]~~ **increasing general revenue funds?**

36 YES NO

37

38 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
 39 of the question, then the taxes shall become effective on the first day of the second calendar
 40 quarter after the director of revenue receives notice of the adoption of the taxes. If a majority of
 41 the votes cast on the question by the qualified voters voting thereon are opposed to the question,
 42 then the taxes shall not become effective unless and until the question is resubmitted under this
 43 section to the qualified voters and such question is approved by a majority of the qualified voters
 44 voting on the question.

45 4. Any tax on the retail sales of food imposed under this section shall be administered,
 46 collected, enforced, and operated as required in section 32.087, and any transient guest tax
 47 imposed under this section shall be administered, collected, enforced, and operated by the
 48 municipality imposing the tax. All revenue generated by the tax shall be deposited in a special
 49 trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds
 50 remaining in the special trust fund shall continue to be used solely for the designated purposes.
 51 Any funds in the special trust fund which are not needed for current expenditures may be
 52 invested in the same manner as other funds are invested. Any interest and moneys earned on
 53 such investments shall be credited to the fund.

54 5. Once the initial bonds, if any, have been satisfied, then the governing body of any
 55 municipality that has adopted the taxes authorized in this section may submit the question of
 56 repeal of the taxes to the voters on any date available for elections for the municipality. The
 57 ballot of submission shall be in substantially the following form:

58 Shall _____ (insert the name of the municipality) repeal the taxes imposed at the
 59 rates of _____ (insert rate of percent) and _____ (insert rate of percent) percent
 60 for the purpose of [~~funding the construction, maintenance, and operation of~~
 61 ~~capital improvements~~] **increasing general revenue funds?**

62 YES NO

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64 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 65 effective on December thirty-first of the calendar year in which such repeal was approved. If a
 66 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
 67 the repeal, then the tax authorized in this section shall remain effective until the question is
 68 resubmitted under this section to the qualified voters, and the repeal is approved by a majority
 69 of the qualified voters voting on the question.

70 6. Once the initial bonds, if any, have been satisfied, then, whenever the governing body
 71 of any municipality that has adopted the taxes authorized in this section receives a petition,
 72 signed by ten percent of the registered voters of the municipality voting in the last gubernatorial
 73 election, calling for an election to repeal the taxes imposed under this section, the governing
 74 body shall submit to the voters of the municipality a proposal to repeal the taxes. If a majority
 75 of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal,
 76 that repeal shall become effective on December thirty-first of the calendar year in which such
 77 repeal was approved. If a majority of the votes cast on the question by the qualified voters voting
 78 thereon are opposed to the repeal, then the tax shall remain effective until the question is
 79 resubmitted under this section to the qualified voters and the repeal is approved by a majority of
 80 the qualified voters voting on the question.

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