

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Bill No. 5, Page 1, Section A, Line 6, by inserting  
2 after all of said section and line the following:

3  
4 "32.310. 1. The department of revenue shall create and maintain a mapping feature on its  
5 official public website that displays sales and use tax information of political subdivisions of this  
6 state that have taxing authority, including the current tax rate for each sales and use tax imposed and  
7 collected. Such display shall have the option to showcase the borders and jurisdiction of the  
8 following political subdivisions on a map of the state to the extent that such political subdivisions  
9 collect sales and use tax:

- 10 (1) Ambulance districts;  
11 (2) Community improvement districts;  
12 (3) Fire protection districts;  
13 (4) Levee districts;  
14 (5) Library districts;  
15 (6) Neighborhood improvement districts;  
16 (7) Port authority districts;  
17 (8) Tax increment financing districts;  
18 (9) Transportation development districts;  
19 (10) School districts; or  
20 (11) Any other political subdivision that imposes a sales or use tax within its borders and  
21 jurisdiction.

22 2. The mapping feature shall also have the option to superimpose state house of  
23 representative districts and state senate districts over the political subdivisions.

24 3. A political subdivision collecting sales or use tax listed in subsection 1 of this section  
25 shall provide to the department of revenue mapping and geographic data pertaining to the political  
26 subdivision's borders and jurisdictions. The political subdivision shall certify the accuracy of the  
27 data by affidavit and shall provide the data in a format specified by the department of revenue. Such  
28 data relating to sales taxes shall be sent to the department of revenue by April 1, 2019, and shall be  
29 updated and sent to the department if a change in the political subdivision's borders or jurisdiction  
30 occurs thereafter. Such data relating to use taxes shall be sent to the department of revenue by  
31 January 1, 2022. If a political subdivision fails to provide the information required under this  
32 subsection, the department of revenue shall use the last known sales or use tax rate for such political  
33 subdivision.

34 4. The department of revenue may contract with another entity to build and maintain the  
35 mapping feature.

36 5. By July 1, 2019, the department shall implement the mapping feature using the sales tax

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

data provided to it under subsection 3 of this section. By August 28, 2022, the department shall implement the mapping feature using use tax data provided to it under subsection 3 of this section.

6. If the boundaries of a political subdivision listed in subsection 1 of this section in which a sales or use tax has been imposed shall thereafter be changed or altered, the political subdivision shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance adding or detaching territory from the political subdivision within ten days of adoption of the ordinance. The ordinance shall reflect the effective date of the ordinance and shall be accompanied by a map in a form to be determined by the director of revenue. Upon receipt of the ordinance and map, the tax imposed under the local sales tax law shall be effective in the added territory or abolished in the detached territory on the first day of a calendar quarter after one hundred twenty days' notice to sellers.

33.575. 1. There is hereby created in the state treasury the "Cash Operating Expense Fund", which shall consist of money as provided under this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

2. The state general revenue portion from remittances made pursuant to section 144.752 and paragraph (e) of subdivision (3) of section 144.605, with the exception of revenues collected pursuant to section 144.701 and Article IV, Sections 43(a) and 47(a) of the Missouri Constitution, shall be deposited into the fund."; and

Further amend said bill, Page 14, Section 67.1545, Line 56, by inserting after all of said section and line the following:

"67.2677. For purposes of sections 67.2675 to 67.2714, the following terms mean:

(1) "Cable operator", as defined in 47 U.S.C. Section 522(5);

(2) "Cable system", as defined in 47 U.S.C. Section 522(7);

(3) "Franchise", an initial authorization, or renewal of an authorization, issued by a franchising entity, regardless of whether the authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement, or otherwise, that authorizes the provision of video service and any affiliated or subsidiary agreements related to such authorization;

(4) "Franchise area", the total geographic area authorized to be served by an incumbent cable operator in a political subdivision as of August 28, 2007, or, in the case of an incumbent local exchange carrier, as such term is defined in 47 U.S.C. Section 251(h), or affiliate thereof, the area within such political subdivision in which such carrier provides telephone exchange service;

(5) "Franchise entity", a political subdivision that was entitled to require franchises and impose fees on cable operators on the day before the effective date of sections 67.2675 to 67.2714, provided that only one political subdivision may be a franchise entity with regard to a geographic area;

(6) (a) "Gross revenues", limited to amounts billed to video service subscribers ~~[or received from advertisers]~~ for the following:

a. Recurring charges for video service; and

b. Event-based charges for video service, including but not limited to pay-per-view and video-on-demand charges;

~~[c. Rental of set top boxes and other video service equipment;~~

~~——— d. Service charges related to the provision of video service, including but not limited to activation, installation, repair, and maintenance charges;~~

1 ~~\_\_\_\_\_ e. Administrative charges related to the provision of video service, including but not limited~~  
 2 ~~to service order and service termination charges; and~~

3 ~~\_\_\_\_\_ f. A pro rata portion of all revenue derived, less refunds, rebates, or discounts, by a video~~  
 4 ~~service provider for advertising over the video service network to subscribers within the franchise~~  
 5 ~~area where the numerator is the number of subscribers within the franchise area, and the~~  
 6 ~~denominator is the total number of subscribers reached by such advertising;]~~

7 (b) "Gross revenues" do not include:

8 a. Discounts, refunds, and other price adjustments that reduce the amount of compensation  
 9 received by an entity holding a video service authorization;

10 b. Uncollectibles;

11 c. Late payment fees;

12 d. Amounts billed to video service subscribers to recover taxes, fees, or surcharges imposed  
 13 on video service subscribers or video service providers in connection with the provision of video  
 14 services, including the video service provider fee authorized by this section;

15 e. Fees or other contributions for PEG or I-Net support; [or]

16 f. Charges for services other than video service that are aggregated or bundled with amounts  
 17 billed to video service subscribers, if the entity holding a video service authorization reasonably can  
 18 identify such charges on books and records kept in the regular course of business or by other  
 19 reasonable means;

20 g. Rental of set top boxes, modems, or other equipment used to provide or facilitate the  
 21 provision of video service;

22 h. Service charges related to the provision of video service, including but not limited to  
 23 activation, installation, repair, and maintenance charges;

24 i. Administrative charges related to the provision of video service, including but not limited  
 25 to service order and service termination charges; or

26 j. A pro rata portion of all revenue derived from advertising, less refunds, rebates, or  
 27 discounts;

28 (c) Except with respect to the exclusion of the video service provider fee, gross revenues  
 29 shall be computed in accordance with generally accepted accounting principles;

30 (7) "Household", an apartment, a house, a mobile home, or any other structure or part of a  
 31 structure intended for residential occupancy as separate living quarters;

32 (8) "Incumbent cable operator", the cable service provider serving cable subscribers in a  
 33 particular franchise area on September 1, 2007;

34 (9) "Low-income household", a household with an average annual household income of less  
 35 than thirty-five thousand dollars;

36 (10) "Person", an individual, partnership, association, organization, corporation, trust, or  
 37 government entity;

38 (11) "Political subdivision", a city, town, village, county;

39 (12) "Public right-of-way", the area of real property in which a political subdivision has a  
 40 dedicated or acquired right-of-way interest in the real property, including the area on, below, or  
 41 above the present and future streets, alleys, avenues, roads, highways, parkways, or boulevards  
 42 dedicated or acquired as right-of-way and utility easements dedicated for compatible uses. The term  
 43 does not include the airwaves above a right-of-way with regard to wireless telecommunications or  
 44 other nonwire telecommunications or broadcast service;

45 (13) "Video programming", programming provided by, or generally considered comparable  
 46 to programming provided by, a television broadcast station, as set forth in 47 U.S.C. Section  
 47 522(20);

48 (14) "Video service", the provision of video programming provided through wireline  
 49 facilities located at least in part in the public right-of-way without regard to delivery technology,

including internet protocol technology whether provided as part of a tier, on demand, or a per-channel basis. This definition includes cable service as defined by 47 U.S.C. Section 522(6), but does not include any video programming provided by a commercial mobile service provider defined in 47 U.S.C. Section 332(d), or any video programming provided solely as part of and via a service that enables users to access content, information, electronic mail, or other services offered over the public internet;

(15) "Video service authorization", the right of a video service provider or an incumbent cable operator that secures permission from the public service commission pursuant to sections 67.2675 to 67.2714, to offer video service to subscribers in a political subdivision;

(16) "Video service network", wireline facilities, or any component thereof, located at least in part in the public right-of-way that deliver video service, without regard to delivery technology, including internet protocol technology or any successor technology. The term video service network shall include cable systems;

(17) "Video service provider", any person that distributes video service through a video service network pursuant to a video service authorization;

(18) "Video service provider fee", the fee imposed under section 67.2689.

67.2689. 1. A franchise entity may collect a video service provider fee equal to not more than five percent of the gross revenues ~~[from each]~~ charged to each customer of a video service provider that is providing video service in the geographic area of such franchise entity. The video service provider fee shall apply equally to all video service providers within the geographic area of a franchise entity.

2. Beginning August 28, 2023, franchise entities are prohibited from collecting a video service provider fee in excess of four and one-half percent of such gross revenues. Beginning August 28, 2024, franchise entities are prohibited from collecting a video service provider fee in excess of four percent of such gross revenues. Beginning August 28, 2025, franchise entities are prohibited from collecting a video service provider fee in excess of three and one-half percent of such gross revenues. Beginning August 28, 2026, franchise entities are prohibited from collecting a video service provider fee in excess of three percent of such gross revenues. Beginning August 28, 2027, and continuing thereafter, franchise entities are prohibited from collecting a video service provider fee in excess of two and one-half percent of such gross revenues.

3. Except as otherwise expressly provided in sections 67.2675 to 67.2714, neither a franchise entity nor any other political subdivision shall demand any additional fees, licenses, gross receipt taxes, or charges on the provision of video services by a video service provider and shall not demand the use of any other calculation method.

~~[3. All video service providers providing service in the geographic area of a franchise entity shall pay the video service provider fee at the same percent of gross revenues as had been assessed on the incumbent cable operator by the franchise entity immediately prior to the date of enactment of sections 67.2675 to 67.2714, and such percentage shall continue to apply until the date that the incumbent cable operator's franchise existing at that time expires or would have expired if it had not been terminated pursuant to sections 67.2675 to 67.2714. The franchise entity shall notify the applicant for a video service authorization of the applicable gross revenue fee percentage within thirty days of the date notice of the applicant is provided.]~~

4. Not more than once per calendar year after the date that the incumbent cable operator's franchise existing on August 28, 2007, expires or would have expired if it had not been terminated pursuant to sections 67.2675 to 67.2714, or in any political subdivision where no franchise applied on the date of enactment of sections 67.2675 to 67.2714, no more than once per calendar year after the video service provider fee was initially imposed, a franchise entity, may, upon ninety days notice to all video service providers, elect to adjust the amount of the video service provider fee subject to state and federal law, but in no event shall such fee exceed ~~[five percent of a video service provider's~~

1 ~~gross revenue]~~ the calculation defined in subsection 1 and 2 of this section.

2 5. The video service provider fee shall be paid to each franchise entity requiring such fee on  
3 or before the last day of the month following the end of each calendar quarter ~~[and shall be~~  
4 ~~calculated as a percentage of gross revenues, as defined under section 67.2677]~~. Any payment made  
5 pursuant to subsection 8 of section 67.2703 shall be made at the same time as the payment of the  
6 video service provider fee.

7 6. Any video service provider ~~[may]~~ shall identify and collect the amount of the video  
8 service provider fee and collect any support under subsection 8 of section 67.2703 as separate line  
9 items on subscriber bills.

10 67.2720. 1. There is hereby established the "Task Force on the Future of Right-Of-Way  
11 Management and Taxation", which shall be composed of the following members:

12 (1) Two members of the senate to be appointed by the president pro tempore of the senate;

13 (2) One member of the senate to be appointed by the minority floor leader of the senate;

14 (3) Two members of the house of representatives to be appointed by the speaker of the  
15 house of representatives;

16 (4) One member of the house of representatives to be appointed by the minority floor leader  
17 of the house of representatives;

18 (5) Four members that are municipal officials or other political subdivision officials, two to  
19 be appointed by the president pro tempore of the senate and two to be appointed by the speaker of  
20 the house of representatives;

21 (6) Four experts in the telecommunications industry, two to be appointed by the president  
22 pro tempore of the senate and two to be appointed by the speaker of the house of representatives;

23 (7) A member of the municipal league of metro St. Louis appointed by the speaker of the  
24 house of representatives; and

25 (8) A member of the Missouri municipal league appointed by the president pro tempore of  
26 the senate.

27 2. A majority of the members of the task force shall constitute a quorum, but the  
28 concurrence of a majority of the members shall be required for the determination of any matter  
29 within the task force's duties.

30 3. The task force shall meet within thirty days after its creation and organize by selecting a  
31 chairperson and a vice chairperson, one of whom shall be a member of the senate and the other a  
32 member of the house of representatives.

33 4. The task force shall study best methods for right-of-way management, taxation of video  
34 services, and the future revenue needs of municipalities and political subdivisions as such revenue  
35 relates to video services.

36 5. The task force shall compile a full report of its activities for submission to the general  
37 assembly. The report shall be submitted not later than December 31, 2023, and shall include any  
38 recommendations which the task force may have for legislative action.

39 6. The task force shall be staffed by legislative personnel as is deemed necessary to assist  
40 the task force in the performance of its duties.

41 7. The members of the task force shall serve without compensation, but any actual and  
42 necessary expenses incurred in the performance of the task force's official duties by the task force,  
43 its members, and any staff assigned to the task force shall be paid from the joint contingent fund.

44 8. This section shall expire on December 31, 2023."; and

45  
46 Further amend said bill, Page 30, Section 99.848, Line 39, by inserting after all of said section and  
47 line the following:

48  
49 "143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income

of every resident. The tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over \$1,000.00	1 1/2% of the Missouri taxable income
Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
Over \$9,000	\$315 plus 6% of excess over \$9,000

2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of this section may be reduced over a period of years. Each reduction in the top rate of tax shall be by one-tenth of a percent and no more than one reduction shall occur in a calendar year. No more than ~~five~~ eight reductions shall be made under this subsection. Reductions in the rate of tax shall take effect on January first of a calendar year and such reduced rates shall continue in effect until the next reduction occurs.

(2) A reduction in the rate of tax shall only occur if the amount of net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

(3) Any modification of tax rates under this subsection shall only apply to tax years that begin on or after a modification takes effect.

(4) The director of the department of revenue shall, by rule, adjust the tax tables under subsection 1 of this section to effectuate the provisions of this subsection. The bracket for income subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced to five and one-half percent, and the top remaining rate of tax shall apply to all income in excess of the income in the second highest remaining income bracket.

3. (1) In addition to the rate reductions under subsection 2 of this section, beginning with the 2019 calendar year, the top rate of tax under subsection 1 of this section shall be reduced by four-tenths of one percent. Such reduction in the rate of tax shall take effect on January first of the 2019 calendar year.

(2) The modification of tax rates under this subsection shall only apply to tax years that begin on or after the date the modification takes effect.

(3) The director of the department of revenue shall, by rule, adjust the tax tables under subsection 1 of this section to effectuate the provisions of this subsection.

4. Beginning with the 2017 calendar year, the brackets of Missouri taxable income identified in subsection 1 of this section shall be adjusted annually by the percent increase in inflation. The director shall publish such brackets annually beginning on or after October 1, 2016. Modifications to the brackets shall take effect on January first of each calendar year and shall apply to tax years beginning on or after the effective date of the new brackets.

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

(1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as reported by the Bureau of Labor Statistics, or its successor index;

(2) "CPI for the preceding calendar year", the average of the CPI as of the close of the twelve month period ending on August thirty-first of such calendar year;

(3) "Net general revenue collected", all revenue deposited into the general revenue fund, less refunds and revenues originally deposited into the general revenue fund but designated by law for a specific distribution or transfer to another state fund;

(4) "Percent increase in inflation", the percentage, if any, by which the CPI for the preceding calendar year exceeds the CPI for the year beginning September 1, 2014, and ending August 31, 2015."; and

Further amend said bill, Page 36, Section 143.171, Line 43, by inserting after all of said section and line the following:

"143.177. 1. This section shall be known and may be cited as the "Missouri Working Family Tax Credit Act".

2. For purposes of this section, the following terms shall mean:

(1) "Department", the department of revenue;

(2) "Eligible taxpayer", a resident individual with a filing status of single, head of household, widowed, or married filing combined who is subject to the tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265, and who is allowed a federal earned income tax credit under 26 U.S.C. Section 32, as amended;

(3) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.

3. (1) Beginning with the 2023 calendar year, an eligible taxpayer shall be allowed a tax credit in an amount equal to a percentage of the amount such taxpayer would receive under the federal earned income tax credit as such credit existed under 26 U.S.C. Section 32 as of January 1, 2021, as provided pursuant to subdivision (2) of this subsection. The tax credit allowed by this section shall be claimed by such taxpayer at the time such taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143 after reduction for all other credits allowed thereon. If the amount of the credit exceeds the tax liability, the difference shall not be refunded to the taxpayer and shall not be carried forward to any subsequent tax year.

(2) Subject to the provisions of subdivision (3) of this subsection, the percentage of the federal earned income tax credit to be allowed as a tax credit pursuant to subdivision (1) of this subsection shall be ten percent, which may be increased to twenty percent subject to the provisions of subdivision (3) of this subsection. The maximum percentage that may be claimed as a tax credit pursuant to this section shall be twenty percent of the federal earned income tax credit that may be claimed by such taxpayer. Any increase in the percentage that may be claimed as a tax credit shall take effect on January first of a calendar year and such percentage shall continue in effect until the next percentage increase occurs. An increase shall only apply to tax years that begin on or after the increase takes effect.

(3) The initial percentage to be claimed as a tax credit and any increase in the percentage that may be claimed pursuant to subdivision (2) of this subsection shall only occur if the amount of net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

4. Notwithstanding the provisions of section 32.057 to the contrary, the department shall determine whether any taxpayer filing a report or return with the department who did not apply for the credit authorized under this section may qualify for the credit and, if so, determines a taxpayer may qualify for the credit, shall notify such taxpayer of his or her potential eligibility. In making a determination of eligibility under this section, the department shall use any appropriate and

1 available data including, but not limited to, data available from the Internal Revenue Service, the  
 2 U.S. Department of Treasury, and state income tax returns from previous tax years.

3 5. The department shall prepare an annual report containing statistical information regarding  
 4 the tax credits issued under this section for the previous tax year, including the total amount of  
 5 revenue expended, the number of credits claimed, and the average value of the credits issued to  
 6 taxpayers whose earned income falls within various income ranges determined by the department.

7 6. The director of the department may promulgate rules and regulations to administer the  
 8 provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010,  
 9 that is created under the authority delegated in this section shall become effective only if it complies  
 10 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This  
 11 section and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
 12 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
 13 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or  
 14 adopted after the effective date of this section shall be invalid and void.

15 7. Tax credits authorized under this section shall not be subject to the requirements of  
 16 sections 135.800 to 135.830.

17 144.011. 1. For purposes of [sections 144.010 to 144.525 and 144.600 to 144.748] this  
 18 chapter, and the taxes imposed thereby, the definition of "retail sale" or "sale at retail" shall not be  
 19 construed to include any of the following:

20 (1) The transfer by one corporation of substantially all of its tangible personal property to  
 21 another corporation pursuant to a merger or consolidation effected under the laws of the state of  
 22 Missouri or any other jurisdiction;

23 (2) The transfer of tangible personal property incident to the liquidation or cessation of a  
 24 taxpayer's trade or business, conducted in proprietorship, partnership or corporate form, except to  
 25 the extent any transfer is made in the ordinary course of the taxpayer's trade or business;

26 (3) The transfer of tangible personal property to a corporation solely in exchange for its  
 27 stock or securities;

28 (4) The transfer of tangible personal property to a corporation by a shareholder as a  
 29 contribution to the capital of the transferee corporation;

30 (5) The transfer of tangible personal property to a partnership solely in exchange for a  
 31 partnership interest therein;

32 (6) The transfer of tangible personal property by a partner as a contribution to the capital of  
 33 the transferee partnership;

34 (7) The transfer of tangible personal property by a corporation to one or more of its  
 35 shareholders as a dividend, return of capital, distribution in the partial or complete liquidation of the  
 36 corporation or distribution in redemption of the shareholder's interest therein;

37 (8) The transfer of tangible personal property by a partnership to one or more of its partners  
 38 as a current distribution, return of capital or distribution in the partial or complete liquidation of the  
 39 partnership or of the partner's interest therein;

40 (9) The transfer of reusable containers used in connection with the sale of tangible personal  
 41 property contained therein for which a deposit is required and refunded on return;

42 (10) The purchase by persons operating eating or food service establishments, of items of a  
 43 nonreusable nature which are furnished to the customers of such establishments with or in  
 44 conjunction with the retail sales of their food or beverage. Such items shall include, but not be  
 45 limited to, wrapping or packaging materials and nonreusable paper, wood, plastic and aluminum  
 46 articles such as containers, trays, napkins, dishes, silverware, cups, bags, boxes, straws, sticks and  
 47 toothpicks;

48 (11) The purchase by persons operating hotels, motels or other transient accommodation  
 49 establishments, of items of a nonreusable nature which are furnished to the guests in the guests'



rooms of such establishments and such items are included in the charge made for such accommodations. Such items shall include, but not be limited to, soap, shampoo, tissue and other toiletries and food or confectionery items offered to the guests without charge;

(12) The transfer of a manufactured home other than:

(a) A transfer which involves the delivery of the document known as the "Manufacturer's Statement of Origin" to a person other than a manufactured home dealer, as defined in section 700.010, for purposes of allowing such person to obtain a title to the manufactured home from the department of revenue of this state or the appropriate agency or officer of any other state;

(b) A transfer which involves the delivery of a "Reposessed Title" to a resident of this state if the tax imposed by ~~[sections 144.010 to 144.525]~~ this chapter was not paid on the transfer of the manufactured home described in paragraph (a) of this subdivision;

(c) The first transfer which occurs after December 31, 1985, if the tax imposed by ~~[sections 144.010 to 144.525]~~ this chapter was not paid on any transfer of the same manufactured home which occurred before December 31, 1985; or

(13) Charges for initiation fees or dues to:

(a) Fraternal beneficiaries societies, or domestic fraternal societies, orders or associations operating under the lodge system a substantial part of the activities of which are devoted to religious, charitable, scientific, literary, educational or fraternal purposes;

(b) Posts or organizations of past or present members of the Armed Forces of the United States or an auxiliary unit or society of, or a trust or foundation for, any such post or organization substantially all of the members of which are past or present members of the Armed Forces of the United States or who are cadets, spouses, widows, or widowers of past or present members of the Armed Forces of the United States, no part of the net earnings of which inures to the benefit of any private shareholder or individual; or

(c) Nonprofit organizations exempt from taxation under Section 501(c)(7) of the Internal Revenue Code of 1986, as amended.

2. The assumption of liabilities of the transferor by the transferee incident to any of the transactions enumerated in the above subdivisions (1) to (8) of subsection 1 of this section shall not disqualify the transfer from the exclusion described in this section, where such liability assumption is related to the property transferred and where the assumption does not have as its principal purpose the avoidance of Missouri sales or use tax.

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, the tax levied and imposed ~~[pursuant to sections 144.010 to 144.525 and sections 144.600 to 144.746]~~ under this chapter on all retail sales of food shall be at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in the school district trust fund and shall be distributed as provided in section 144.701.

2. For the purposes of this section, the term "food" shall include only those products and types of food for which food stamps may be redeemed pursuant to the provisions of the Federal Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it may be amended hereafter, and shall include food dispensed by or through vending machines. For the purpose of this section, except for vending machine sales, the term "food" shall not include food or drink sold by any establishment where the gross receipts derived from the sale of food prepared by such establishment for immediate consumption on or off the premises of the establishment constitutes more than eighty percent of the total gross receipts of that establishment, regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café.

144.020. 1. A tax is hereby levied and imposed for the privilege of titling new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways or waters of this state which are required to be titled under the laws of the state of Missouri and,

1 except as provided in subdivision (9) of this subsection, upon all sellers for the privilege of engaging  
2 in the business of selling tangible personal property or rendering taxable service at retail in this  
3 state. The rate of tax shall be as follows:

4 (1) Upon every retail sale in this state of tangible personal property, excluding motor  
5 vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard motors required to be  
6 titled under the laws of the state of Missouri and subject to tax under subdivision (9) of this  
7 subsection, a tax equivalent to four percent of the purchase price paid or charged, or in case such  
8 sale involves the exchange of property, a tax equivalent to four percent of the consideration paid or  
9 charged, including the fair market value of the property exchanged at the time and place of the  
10 exchange, except as otherwise provided in section 144.025;

11 (2) A tax equivalent to four percent of the amount paid for admission and seating  
12 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation, games  
13 and athletic events, except amounts paid for any instructional class;

14 (3) A tax equivalent to four percent of the basic rate paid or charged on all sales of  
15 electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or  
16 industrial consumers;

17 (4) (a) A tax equivalent to four percent on the basic rate paid or charged on all sales of local  
18 and long distance telecommunications service to telecommunications subscribers and to others  
19 through equipment of telecommunications subscribers for the transmission of messages and  
20 conversations and upon the sale, rental or leasing of all equipment or services pertaining or  
21 incidental thereto; except that, the payment made by telecommunications subscribers or others,  
22 pursuant to section 144.060, and any amounts paid for access to the internet or interactive computer  
23 services shall not be considered as amounts paid for telecommunications services;

24 (b) If local and long distance telecommunications services subject to tax under this  
25 subdivision are aggregated with and not separately stated from charges for telecommunications  
26 service or other services not subject to tax under this subdivision, including, but not limited to,  
27 interstate or international telecommunications services, then the charges for nontaxable services may  
28 be subject to taxation unless the telecommunications provider can identify by reasonable and  
29 verifiable standards such portion of the charges not subject to such tax from its books and records  
30 that are kept in the regular course of business, including, but not limited to, financial statement,  
31 general ledgers, invoice and billing systems and reports, and reports for regulatory tariffs and other  
32 regulatory matters;

33 (c) A telecommunications provider shall notify the director of revenue of its intention to  
34 utilize the standards described in paragraph (b) of this subdivision to determine the charges that are  
35 subject to sales tax under this subdivision. Such notification shall be in writing and shall meet  
36 standardized criteria established by the department regarding the form and format of such notice;

37 (d) The director of revenue may promulgate and enforce reasonable rules and regulations for  
38 the administration and enforcement of the provisions of this subdivision. Any rule or portion of a  
39 rule, as that term is defined in section 536.010, that is created under the authority delegated in this  
40 section shall become effective only if it complies with and is subject to all of the provisions of  
41 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and  
42 if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the  
43 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the  
44 grant of rulemaking authority and any rule proposed or adopted after August 28, 2019, shall be  
45 invalid and void;

46 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of services  
47 for transmission of messages of telegraph companies;

48 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms, meals  
49 and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car,

1 tourist cabin, tourist camp or other place in which rooms, meals or drinks are regularly served to the  
 2 public. The tax imposed under this subdivision shall not apply to any automatic mandatory gratuity  
 3 for a large group imposed by a restaurant when such gratuity is reported as employee tip income and  
 4 the restaurant withholds income tax under section 143.191 on such gratuity;

5 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets by  
 6 every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such buses  
 7 and trucks as are licensed by the division of motor carrier and railroad safety of the department of  
 8 economic development of Missouri, engaged in the transportation of persons for hire;

9 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of  
 10 tangible personal property, provided that if the lessor or renter of any tangible personal property had  
 11 previously purchased the property under the conditions of sale at retail or leased or rented the  
 12 property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor, renter or  
 13 subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or subrental  
 14 receipts from that property. The purchase, rental or lease of motor vehicles, trailers, motorcycles,  
 15 mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid as provided in  
 16 this section and section 144.070. In no event shall the rental or lease of boats and outboard motors  
 17 be considered a sale, charge, or fee to, for or in places of amusement, entertainment or recreation  
 18 nor shall any such rental or lease be subject to any tax imposed to, for, or in such places of  
 19 amusement, entertainment or recreation. Rental and leased boats or outboard motors shall be taxed  
 20 under the provisions of the sales tax laws as provided under such laws for motor vehicles and  
 21 trailers. Tangible personal property which is exempt from the sales or use tax under section 144.030  
 22 upon a sale thereof is likewise exempt from the sales or use tax upon the lease or rental thereof;

23 (9) A tax equivalent to four percent of the purchase price, as defined in section 144.070, of  
 24 new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on  
 25 the highways or waters of this state which are required to be registered under the laws of the state of  
 26 Missouri. This tax is imposed on the person titling such property, and shall be paid according to the  
 27 procedures in section 144.440.

28 2. All tickets sold which are sold under the provisions of ~~[sections 144.010 to 144.525]~~ this  
 29 chapter which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon,  
 30 the words "This ticket is subject to a sales tax.".

31 144.049. 1. For purposes of this section, the following terms mean:

32 (1) "Clothing", any article of wearing apparel intended to be worn on or about the human  
 33 body including, but not limited to, disposable diapers for infants or adults and footwear. The term  
 34 shall include, but not be limited to, cloth and other material used to make school uniforms or other  
 35 school clothing. Items normally sold in pairs shall not be separated to qualify for the exemption.  
 36 The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas,  
 37 scarves, ties, headbands, or belt buckles; and

38 (2) "Personal computers", a laptop, desktop, or tower computer system which consists of a  
 39 central processing unit, random access memory, a storage drive, a display monitor, and a keyboard  
 40 and devices designed for use in conjunction with a personal computer, such as a disk drive, memory  
 41 module, compact disk drive, daughterboard, digitizer, microphone, modem, motherboard, mouse,  
 42 multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard,  
 43 or video card;

44 (3) "School supplies", any item normally used by students in a standard classroom for  
 45 educational purposes, including but not limited to textbooks, notebooks, paper, writing instruments,  
 46 crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk, maps, and globes.  
 47 The term shall not include watches, radios, CD players, headphones, sporting equipment, portable or  
 48 desktop telephones, copiers or other office equipment, furniture, or fixtures. School supplies shall  
 49 also include computer software having a taxable value of three hundred fifty dollars or less and any

graphing calculator having a taxable value of one hundred fifty dollars or less.

2. In each year beginning on or after January 1, 2005, there is hereby specifically exempted from state and local sales tax law all retail sales of any article of clothing having a taxable value of one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per purchase, all computer software with a taxable value of three hundred fifty dollars or less, all graphing calculators having a taxable value of one hundred fifty dollars or less, and all retail sales of personal computers or computer peripheral devices not to exceed one thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at midnight on the Sunday following. Where a purchaser and seller are located in two different time zones, the time zone of the seller's location shall determine the authorized exemption period.

~~3. [If the governing body of any political subdivision adopted an ordinance that applied to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax holiday to apply to such political subdivision's local sales tax, then, notwithstanding any provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such political subdivision's local sales tax. However, any such political subdivision may enact an ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political subdivision must notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to opt out.~~

~~4.]~~ This section shall not apply to any sales which take place within the Missouri state fairgrounds.

~~[5.]~~ 4. This section applies to sales of items bought for personal use only.

~~[6. After the 2005 sales tax holiday, any political subdivision may, by adopting an ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local sales tax. After opting out, the political subdivision may rescind the ordinance or order. The political subdivision must notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to opt out.~~

~~7.]~~ 5. This section may not apply to any retailer when less than two percent of the retailer's merchandise offered for sale qualifies for the sales tax holiday. The retailer ~~[shall]~~ may offer a sales tax refund in lieu of the sales tax holiday.

6. A sale of property which is eligible for an exemption under subsection 1 of this section but is purchased under a layaway sale shall only qualify for an exemption if:

(1) Final payment on a layaway order is made by, and the property is given to, the purchaser during the exemption period; or

(2) The purchaser selects the property and the seller accepts the order for the property during the exemption period, for immediate delivery upon full payment, even if delivery is made after the exemption period.

7. The exemption of a bundled transaction shall be calculated as provided by law for all other bundled transactions.

8. (1) For any discount offered by a seller that is a reduction of the sales price of the product, the discounted sales price shall determine whether the sales price falls below the price threshold provided in subsection 1 of this section. A coupon that reduces the sales price shall be treated as a discount only if the seller is not reimbursed for the coupon amount by a third party.

(2) If a discount applies to the total amount paid by a purchaser rather than to the sales price of a particular product and the purchaser has purchased both exempt property and taxable property, the seller shall allocate the discount based on the total sales prices of the taxable property compared to the total sales prices of all property sold in the same transaction.

9. Items that are normally sold as a single unit shall continue to be sold in that manner and

1 shall not be priced separately and sold as individual items.

2 10. Items that are purchased during an exemption period but that are not delivered to the  
 3 purchaser until after the exemption period due to the item not being in stock shall qualify for an  
 4 exemption. The provisions of this subsection shall not apply to an item that was delivered during an  
 5 exemption period but was purchased prior to or after the exemption period.

6 11. (1) If a purchaser purchases an item of eligible property during an exemption period,  
 7 but later exchanges the item for a similar eligible item after the exemption period, no additional tax  
 8 shall be due on the new item.

9 (2) If a purchaser purchases an item of eligible property during an exemption period, but  
 10 later returns the item after the exemption period and receives credit on the purchase of a different  
 11 nonexempt item, the appropriate sales tax shall be due on the sale of the newly purchased item.

12 (3) If a purchaser purchases an item of eligible property before an exemption period, but  
 13 during the exemption period returns the item and receives credit on the purchase of a different item  
 14 of eligible property, no sales tax shall be due on the sale of the new item if the new item is  
 15 purchased during the exemption period.

16 (4) For a sixty-day period immediately following the end of the exemption period, if a  
 17 purchaser returns an exempt item, no credit for or refund of sales tax shall be given unless the  
 18 purchaser provides a receipt or invoice that shows tax was paid, or the seller has sufficient  
 19 documentation to show that tax was paid on the item being returned.

20 144.054. 1. As used in this section, the following terms mean:

21 (1) "Processing", any mode of treatment, act, or series of acts performed upon materials to  
 22 transform or reduce them to a different state or thing, including treatment necessary to maintain or  
 23 preserve such processing by the producer at the production facility;

24 (2) "Producing" includes, but is not limited to, the production of, including the production  
 25 and transmission of, telecommunication services;

26 (3) "Product" includes, but is not limited to, telecommunications services;

27 (4) "Recovered materials", those materials which have been diverted or removed from the  
 28 solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent  
 29 separation and processing.

30 2. In addition to all other exemptions granted under this chapter, there is hereby specifically  
 31 exempted from the provisions of ~~[sections 144.010 to 144.525 and 144.600 to 144.761, and from the~~  
 32 ~~computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600~~  
 33 ~~to 144.761]~~ this chapter and the local sales tax law as defined in section 32.085 and from the  
 34 computation of the tax levied, assessed, or payable under this chapter and the local sales tax law as  
 35 defined in section 32.085, electrical energy and gas, whether natural, artificial, or propane, water,  
 36 coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the  
 37 manufacturing, processing, compounding, mining, or producing of any product, or used or  
 38 consumed in the processing of recovered materials, or used in research and development related to  
 39 manufacturing, processing, compounding, mining, or producing any product. [The exemptions  
 40 granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the  
 41 provisions of this subsection shall be in addition to any state and local sales tax exemption provided  
 42 in section 144.030.] The construction and application of this subsection as expressed by the  
 43 Missouri supreme court in DST Systems, Inc. v. Director of Revenue, 43 S.W.3d 799 (Mo. banc  
 44 2001); Southwestern Bell Tel. Co. v. Director of Revenue, 78 S.W.3d 763 (Mo. banc 2002); and  
 45 Southwestern Bell Tel. Co. v. Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby  
 46 affirmed.

47 3. In addition to all other exemptions granted under this chapter, there is hereby specifically  
 48 exempted from the provisions of ~~[sections 144.010 to 144.525 and 144.600 to 144.761, and section~~  
 49 ~~238.235,]~~ this chapter and the local sales tax law as defined in section 32.085, and from the

1 computation of the tax levied, assessed, or payable under ~~[sections 144.010 to 144.525 and 144.600~~  
 2 ~~to 144.761, and section 238.235,]~~ this chapter and the local sales tax law as defined in section  
 3 32.085, all utilities, machinery, and equipment used or consumed directly in television or radio  
 4 broadcasting and all sales and purchases of tangible personal property, utilities, services, or any  
 5 other transaction that would otherwise be subject to the state or local sales or use tax when such  
 6 sales are made to or purchases are made by a contractor for use in fulfillment of any obligation  
 7 under a defense contract with the United States government, and all sales and leases of tangible  
 8 personal property by any county, city, incorporated town, or village, provided such sale or lease is  
 9 authorized under chapter 100, and such transaction is certified for sales tax exemption by the  
 10 department of economic development, and tangible personal property used for railroad  
 11 infrastructure brought into this state for processing, fabrication, or other modification for use outside  
 12 the state in the regular course of business.

13 4. In addition to all other exemptions granted under this chapter, there is hereby specifically  
 14 exempted from the provisions of ~~[sections 144.010 to 144.525 and 144.600 to 144.761, and section~~  
 15 ~~238.235,]~~ this chapter and the local sales tax law as defined in section 32.085, and from the  
 16 computation of the tax levied, assessed, or payable under ~~[sections 144.010 to 144.525 and 144.600~~  
 17 ~~to 144.761, and section 238.235,]~~ this chapter and the local sales tax law as defined in section  
 18 32.085, all sales and purchases of tangible personal property, utilities, services, or any other  
 19 transaction that would otherwise be subject to the state or local sales or use tax when such sales are  
 20 made to or purchases are made by a private partner for use in completing a project under sections  
 21 227.600 to 227.669.

22 5. In addition to all other exemptions granted under this chapter, there is hereby specifically  
 23 exempted from the provisions of ~~[sections 144.010 to 144.525 and 144.600 to 144.761, and section~~  
 24 ~~238.235,]~~ this chapter and the local sales tax law as defined in section 32.085, and from the  
 25 computation of the tax levied, assessed, or payable under ~~[sections 144.010 to 144.525 and 144.600~~  
 26 ~~to 144.761, and section 238.235,]~~ this chapter and the local sales tax law as defined in section  
 27 32.085, all materials, manufactured goods, machinery and parts, electrical energy and gas, whether  
 28 natural, artificial or propane, water, coal and other energy sources, chemicals, soaps, detergents,  
 29 cleaning and sanitizing agents, and other ingredients and materials inserted by commercial or  
 30 industrial laundries to treat, clean, and sanitize textiles in facilities which process at least five  
 31 hundred pounds of textiles per hour and at least sixty thousand pounds per week.

32 144.060. 1. It shall be the duty of every person making any purchase or receiving any  
 33 service upon which a tax is imposed by sections 144.010 to 144.510 to pay, to the extent possible  
 34 under the provisions of section 144.285, the amount of such tax to the person making such sale or  
 35 rendering such service. Any person who shall willfully and intentionally refuse to pay such tax shall  
 36 be guilty of a misdemeanor. The provisions of this section shall not apply to any person making any  
 37 purchase or sale of a motor vehicle subject to sales tax as provided by the Missouri sales tax law,  
 38 unless such person making the sale is a motor vehicle dealer authorized to collect and remit sales tax  
 39 pursuant to subsection 10 of section 144.070.

40 2. A purchaser shall be relieved from any additional tax, interest, additions, or penalties for  
 41 failure to collect and remit the proper amount of tax owed on a purchase subject to sales tax under  
 42 this chapter if:

43 (1) A purchaser's seller or a certified service provider relied on erroneous data provided by  
 44 the director on tax rates, boundaries, taxing jurisdiction assignments, or in the taxability matrix  
 45 created pursuant to section 144.638;

46 (2) A purchaser using a database created pursuant to section 144.637 received erroneous  
 47 data provided by the director on tax rates, boundaries, or taxing jurisdiction assignments; or

48 (3) A purchaser relied on erroneous data provided by the director in the taxability matrix  
 49 created pursuant to section 144.638.

144.080. 1. Every person receiving any payment or consideration upon the sale of property or rendering of service, subject to the tax imposed by the provisions of sections 144.010 to [144.525] 144.527, is exercising the taxable privilege of selling the property or rendering the service at retail and is subject to the tax levied in section 144.020. The person shall be responsible not only for the collection of the amount of the tax imposed on the sale or service to the extent possible under the provisions of section 144.285, but shall, on or before the last day of the month following each calendar quarterly period of three months, file a return with the director of revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied in section 144.020, except as provided in subsections 2 and 3 of this section. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of sellers, but shall not require any seller to file and pay more frequently than required in this section.

2. (1) Where the aggregate amount levied and imposed upon a seller by section 144.020 is in excess of two hundred fifty dollars for either the first or second month of a calendar quarter, the seller shall file a return and pay such aggregate amount for such months to the director of revenue by the twentieth day of the succeeding month.

(2) Beginning January 1, 2022, where the aggregate amount levied and imposed upon a seller by section 144.020 is in excess of two hundred fifty dollars for either the first or second month of a calendar quarter, the seller shall file a return and pay such aggregate amount for such months to the director of revenue on or before the last day of the succeeding month.

3. Where the aggregate amount levied and imposed upon a seller by section 144.020 is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

4. The seller of any property or person rendering any service, subject to the tax imposed by sections 144.010 to [144.525] 144.527, shall collect the tax from the purchaser of such property or the recipient of the service to the extent possible under the provisions of section 144.285, but the seller's inability to collect any part or all of the tax does not relieve the seller of the obligation to pay to the state the tax imposed by section 144.020; except that the collection of the tax imposed by sections 144.010 to [144.525] 144.527 on motor vehicles and trailers shall be made as provided in sections 144.070 and 144.440.

5. Any person may advertise or hold out or state to the public or to any customer directly that the tax or any part thereof imposed by sections 144.010 to [144.525] 144.527, and required to be collected by the person, will be assumed or absorbed by the person, provided that the amount of tax assumed or absorbed shall be stated on any invoice or receipt for the property sold or service rendered. Any person violating any of the provisions of this section shall be guilty of a misdemeanor. This subsection shall not apply to any retailer prohibited from collecting and remitting sales tax under section 66.630.

144.140. 1. From every remittance to the director of revenue made on or before the date when the same becomes due, the person required to remit the same shall be entitled to deduct and retain an amount equal to two percent thereof.

2. The director shall provide a monetary allowance from the taxes collected to a certified service provider under the terms of the certified service contract signed with the provider, provided that such allowance shall be funded entirely from money collected by the certified service provider.

3. Any certified service provider receiving an allowance under subsection 2 of this section shall not be entitled to simultaneously deduct the allowance provided for under subsection 1 of this section.

4. For the purposes of this section, "certified service provider" shall mean an agent certified by the department of revenue to perform all the seller's sales and use tax functions, other than the

1 seller's obligation to remit tax on its own purchases.

2 144.526. 1. This section shall be known and may be cited as the "Show Me Green Sales Tax  
3 Holiday".

4 2. For purposes of this section, the following terms mean:

5 (1) "Appliance", clothes washers and dryers, water heaters, trash compactors, dishwashers,  
6 conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and freezers; and

7 (2) "Energy star certified", any appliance approved by both the United States Environmental  
8 Protection Agency and the United States Department of Energy as eligible to display the energy star  
9 label, as amended from time to time.

10 3. In each year beginning on or after January 1, 2009, there is hereby specifically exempted  
11 from state sales tax law and all local sales and use taxes all retail sales of any energy star certified  
12 new appliance, up to one thousand five hundred dollars per appliance[,], during a seven-day period  
13 beginning at 12:01 a.m. on April nineteenth and ending at midnight on April twenty-fifth. Where a  
14 purchaser and seller are located in two different time zones, the time zone of the seller's location  
15 shall determine the authorized exemption period.

16 4. ~~[A political subdivision may allow the sales tax holiday under this section to apply to its~~  
17 ~~local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall notify~~  
18 ~~the department of revenue not less than forty-five calendar days prior to the beginning date of the~~  
19 ~~sales tax holiday occurring in that year of any such ordinance or order.~~

20 ~~5. This section may not apply to any retailer when less than two percent of the retailer's~~  
21 ~~merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales tax~~  
22 ~~refund in lieu of the sales tax holiday.] A sale of property which is eligible for an exemption under~~  
23 ~~subsection 1 of this section but is purchased under a layaway sale shall only qualify for an~~  
24 ~~exemption if:~~

25 (1) Final payment on a layaway order is made by, and the property is given to, the purchaser  
26 during the exemption period; or

27 (2) The purchaser selects the property and the seller accepts the order for the property  
28 during the exemption period, for immediate delivery upon full payment, even if delivery is made  
29 after the exemption period.

30 5. (1) For any discount offered by a seller that is a reduction of the sales price of the  
31 product, the discounted sales price shall determine whether the sales price falls below the price  
32 threshold provided in subsection 1 of this section. A coupon that reduces the sales price shall be  
33 treated as a discount only if the seller is not reimbursed for the coupon amount by a third party.

34 (2) If a discount applies to the total amount paid by a purchaser rather than to the sales price  
35 of a particular product and the purchaser has purchased both exempt property and taxable property,  
36 the seller shall allocate the discount based on the total sales prices of the taxable property compared  
37 to the total sales prices of all property sold in the same transaction.

38 6. Items that are normally sold as a single unit shall continue to be sold in that manner and  
39 shall not be priced separately and sold as individual items.

40 7. Items that are purchased during an exemption period but that are not delivered to the  
41 purchaser until after the exemption period due to the item not being in stock shall qualify for an  
42 exemption. The provisions of this subsection shall not apply to an item that was delivered during an  
43 exemption period but was purchased prior to or after the exemption period.

44 8. (1) If a purchaser purchases an item of eligible property during an exemption period, but  
45 later exchanges the item for a similar eligible item after the exemption period, no additional tax shall  
46 be due on the new item.

47 (2) If a purchaser purchases an item of eligible property during an exemption period, but  
48 later returns the item after the exemption period and receives credit on the purchase of a different  
49 nonexempt item, the appropriate sales tax shall be due on the sale of the newly purchased item.



(3) If a purchaser purchases an item of eligible property before an exemption period, but during the exemption period returns the item and receives credit on the purchase of a different item of eligible property, no sales tax shall be due on the sale of the new item if the new item is purchased during the exemption period.

(4) For a sixty-day period immediately following the end of the exemption period, if a purchaser returns an exempt item no credit for or refund of sales tax shall be given unless the purchaser provides a receipt or invoice that shows tax was paid, or the seller has sufficient documentation to show that tax was paid on the item being returned.

144.605. The following words and phrases as used in sections 144.600 to 144.745 mean and include:

(1) "Calendar quarter", the period of three consecutive calendar months ending on March thirty-first, June thirtieth, September thirtieth or December thirty-first;

(2) "Certified service provider" or "CSP", an agent certified by the department of revenue to perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on its own purchases;

(3) "Engages in business activities within this state" includes:

(a) Maintaining or having a franchisee or licensee operating under the seller's trade name in this state if the franchisee or licensee is required to collect sales tax pursuant to sections 144.010 to 144.525;

(b) Soliciting sales or taking orders by sales agents or traveling representatives;

(c) A vendor is presumed to engage in business activities within this state if any person, other than a common carrier acting in its capacity as such, that has substantial nexus with this state:

a. Sells a similar line of products as the vendor and does so under the same or a similar business name;

b. Maintains an office, distribution facility, warehouse, or storage place, or similar place of business in the state to facilitate the delivery of property or services sold by the vendor to the vendor's customers;

c. Delivers, installs, assembles, or performs maintenance services for the vendor's customers within the state;

d. Facilitates the vendor's delivery of property to customers in the state by allowing the vendor's customers to pick up property sold by the vendor at an office, distribution facility, warehouse, storage place, or similar place of business maintained by the person in the state; or

e. Conducts any other activities in the state that are significantly associated with the vendor's ability to establish and maintain a market in the state for the sales;

(d) The presumption in paragraph (c) of this subdivision may be rebutted by demonstrating that the person's activities in the state are not significantly associated with the vendor's ability to establish or maintain a market in this state for the vendor's sales;

(e) ~~[Notwithstanding paragraph (c), a vendor shall be presumed to engage in business activities within this state if the vendor enters into an agreement with one or more residents of this state under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an internet website, an in-person oral presentation, telemarketing, or otherwise, to the vendor, if the cumulative gross receipts from sales by the vendor to customers in the state who are referred to the vendor by all residents with this type of an agreement with the vendor is in excess of ten thousand dollars during the preceding twelve months;~~

~~— (f) The presumption in paragraph (e) may be rebutted by submitting proof that the residents with whom the vendor has an agreement did not engage in any activity within the state that was significantly associated with the vendor's ability to establish or maintain the vendor's market in the state during the preceding twelve months. Such proof may consist of sworn written statements from all of the residents with whom the vendor has an agreement stating that they did not engage in any~~

1 solicitation in the state on behalf of the vendor during the preceding year provided that such  
 2 statements were provided and obtained in good faith] Selling tangible personal property for delivery  
 3 into this state provided the seller's gross receipts from taxable sales from delivery of tangible  
 4 personal property into this state in the previous calendar year or current calendar year exceeds one  
 5 hundred thousand dollars. For the purposes of calculating a seller's gross receipts under this  
 6 paragraph, following the close of each calendar quarter, a vendor shall determine whether the  
 7 vendor met the requirements under this paragraph during the twelve-month period ending on the last  
 8 day of the preceding calendar quarter. If the vendor met such requirements for any such twelve-  
 9 month period, such vendor shall collect and remit the tax as provided under section 144.635 for a  
 10 period of not less than twelve months, beginning not more than three months following the close of  
 11 the preceding calendar quarter, and shall continue to collect and remit the tax for as long as the  
 12 vendor is engaged in business activities within this state, as provided for under this paragraph, or  
 13 otherwise maintains a substantial nexus with this state;

14 [(3)] (4) "Maintains a place of business in this state" includes maintaining, occupying, or  
 15 using, permanently or temporarily, directly or indirectly, by whatever name called, an office, place  
 16 of distribution, sales or sample room or place, warehouse or storage place, or other place of business  
 17 in this state, whether owned or operated by the vendor or by any other person other than a common  
 18 carrier acting in its capacity as such;

19 [(4)] (5) "Person", any individual, firm, copartnership, joint venture, association,  
 20 corporation, municipal or private, and whether organized for profit or not, state, county, political  
 21 subdivision, state department, commission, board, bureau or agency, except the state transportation  
 22 department, estate, trust, business trust, receiver or trustee appointed by the state or federal court,  
 23 syndicate, or any other group or combination acting as a unit, and the plural as well as the singular  
 24 number;

25 [(5)] (6) "Purchase", the acquisition of the ownership of, or title to, tangible personal  
 26 property, through a sale, as defined herein, for the purpose of storage, use or consumption in this  
 27 state;

28 [(6)] (7) "Purchaser", any person who is the recipient for a valuable consideration of any  
 29 sale of tangible personal property acquired for use, storage or consumption in this state;

30 [(7)] (8) "Sale", any transfer, barter or exchange of the title or ownership of tangible  
 31 personal property, or the right to use, store or consume the same, for a consideration paid or to be  
 32 paid, and any transaction whether called leases, rentals, bailments, loans, conditional sales or  
 33 otherwise, and notwithstanding that the title or possession of the property or both is retained for  
 34 security. For the purpose of this law the place of delivery of the property to the purchaser, user,  
 35 storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or by  
 36 common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers,  
 37 representatives, consignors, peddlers, canvassers or otherwise;

38 [(8)] (9) "Sales price", the consideration including the charges for services, except charges  
 39 incident to the extension of credit, paid or given, or contracted to be paid or given, by the purchaser  
 40 to the vendor for the tangible personal property, including any services that are a part of the sale,  
 41 valued in money, whether paid in money or otherwise, and any amount for which credit is given to  
 42 the purchaser by the vendor, without any deduction therefrom on account of the cost of the property  
 43 sold, the cost of materials used, labor or service cost, losses or any other expenses whatsoever,  
 44 except that cash discounts allowed and taken on sales shall not be included and "sales price" shall  
 45 not include the amount charged for property returned by customers upon rescission of the contract  
 46 of sales when the entire amount charged therefor is refunded either in cash or credit or the amount  
 47 charged for labor or services rendered in installing or applying the property sold, the use, storage or  
 48 consumption of which is taxable pursuant to sections 144.600 to 144.745. The sales price shall not  
 49 include usual and customary delivery charges that are separately stated. In determining the amount

1 of tax due pursuant to sections 144.600 to 144.745, any charge incident to the extension of credit  
2 shall be specifically exempted;

3 ~~[(9)]~~ (10) "Selling agent", every person acting as a representative of a principal, when such  
4 principal is not registered with the director of revenue of the state of Missouri for the collection of  
5 the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to 144.745 and who  
6 receives compensation by reason of the sale of tangible personal property of the principal, if such  
7 property is to be stored, used, or consumed in this state;

8 ~~[(10)]~~ (11) "Storage", any keeping or retention in this state of tangible personal property  
9 purchased from a vendor, except property for sale or property that is temporarily kept or retained in  
10 this state for subsequent use outside the state;

11 ~~[(11)]~~ (12) "Tangible personal property", all items subject to the Missouri sales tax as  
12 provided in subdivisions (1) and (3) of subsection 1 of section 144.020;

13 ~~[(12)]~~ (13) "Taxpayer", any person remitting the tax or who should remit the tax levied by  
14 sections 144.600 to 144.745;

15 ~~[(13)]~~ (14) "Use", the exercise of any right or power over tangible personal property  
16 incident to the ownership or control of that property, except that it does not include the temporary  
17 storage of property in this state for subsequent use outside the state, or the sale of the property in the  
18 regular course of business;

19 ~~[(14)]~~ (15) "Vendor", every person engaged in making sales of tangible personal property by  
20 mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking  
21 orders for sales of tangible personal property, for storage, use or consumption in this state, all  
22 salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the  
23 dealers, distributors, consignors, supervisors, principals or employers under whom they operate or  
24 from whom they obtain the tangible personal property sold by them, and every person who  
25 maintains a place of business in this state, maintains a stock of goods in this state, or engages in  
26 business activities within this state and every person who engages in this state in the business of  
27 acting as a selling agent for persons not otherwise vendors as defined in this subdivision.  
28 Irrespective of whether they are making sales on their own behalf or on behalf of the dealers,  
29 distributors, consignors, supervisors, principals or employers, they must be regarded as vendors and  
30 the dealers, distributors, consignors, supervisors, principals or employers must be regarded as  
31 vendors for the purposes of sections 144.600 to 144.745.

32 144.608. 1. For the purpose of more efficiently securing the payment of and accounting for  
33 the tax collected and remitted by retailers and vendors, the department is hereby authorized:

34 (1) To consult, contract, and work jointly with the streamlined sales and use tax agreement's  
35 governing board to allow sellers to use the governing board's certified service providers and central  
36 registration system services; or

37 (2) To consult, contract, and work with certified service providers independently. The  
38 department is authorized to determine the method and amount of compensation to be provided to  
39 certified service providers by this state for the services of such certified service providers to certain  
40 sellers, provided that no certified service provider or seller utilizing a certified service provider shall  
41 be entitled to the deduction provided in subsection 1 of section 144.140.

42 2. The director of revenue shall make, promulgate, and enforce reasonable rules and  
43 regulations for the administration and enforcement of the provisions of this chapter relating to the  
44 collection and remittance of sales and use tax by certified service providers. Any rule or portion of  
45 a rule, as that term is defined in section 536.010, that is created under the authority delegated in this  
46 section shall become effective only if it complies with and is subject to all of the provisions of  
47 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and  
48 if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the  
49 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the

grant of rulemaking authority and any rule proposed or adopted after January 1, 2023, shall be invalid and void.

144.637. 1. The director of revenue shall provide and maintain a database that describes boundary changes for all taxing jurisdictions and the effective dates of such changes for the use of vendors collecting the tax imposed under sections 144.600 to 144.745.

2. For the identification of counties and cities, codes corresponding to the rates shall be provided according to Federal Information Processing Standards (FIPS) as developed by the National Institute of Standards and Technology. For the identification of all other jurisdictions, codes corresponding to the rates shall be in a format determined by the director.

3. The director shall provide and maintain address-based boundary database records for assigning taxing jurisdictions and associated rates. The database records shall meet the requirements developed pursuant to the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If a vendor is unable to determine the applicable rate and jurisdiction using an address-based database record after exercising due diligence, the vendor may apply the nine-digit zip code designation applicable to a purchase. If a nine-digit zip code designation is not available for a street address or if a vendor is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the vendor may apply the rate for the five-digit zip code area. For the purposes of this section, there shall be a rebuttable presumption that a vendor has exercised due diligence if the vendor has attempted to determine the tax rate and jurisdiction by utilizing software approved by the director and makes the assignment from the address and zip code information applicable to the purchase. The databases shall be in the same approved format as the database records under this section and meet the requirements developed pursuant to the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the director certifies an address-based database provided by a third party, a vendor may use such database in place of the database provided for in this subsection.

4. The electronic database provided for in subsections 1, 2, and 3 of this section shall be in a downloadable format as determined by the director. The database may be directly provided by the director or provided by a third party as designated by the director. The database provided by the director shall be provided at no cost to the user of the database. The provisions of subsection 3 of this section shall not apply if the purchased product is received by the purchaser at the business location of the vendor.

5. No vendor shall be liable for reliance upon erroneous data provided by the director on tax rates, boundaries, or taxing jurisdiction assignments.

144.638. 1. The director shall provide and maintain a taxability matrix. The state's entries in the matrix shall be provided and maintained by the director in a database that is in a downloadable format.

2. The director shall provide reasonable notice of changes in the taxability of the products or services listed in the taxability matrix.

3. A seller or CSP shall be relieved from liability to this state or any local taxing jurisdiction for having charged and collected the incorrect amount of state or local sales or use tax resulting from such seller's or CSP's reliance upon erroneous data provided or approved by the director in the taxability matrix, and a seller shall be relieved from liability for erroneous returns made by a CSP on behalf of the seller.

144.710. ~~[From every remittance made by a vendor as required by sections 144.600 to 144.745 to the director of revenue on or before the date when the remittance becomes due, the vendor may deduct and retain an amount equal to two percent thereof.]~~ The provisions of section 144.140 relating to the allowance for timely remittance of payment shall be applicable to the tax levied under sections 144.600 to 144.745.

144.752. 1. For the purposes of this section, the following terms shall mean:

1 (1) "Marketplace facilitator", a person that:

2 (a) Facilitates a retail sale by a marketplace seller by listing or advertising for sale by the  
 3 marketplace seller in any forum, tangible personal property or services that are subject to tax under  
 4 this chapter; and

5 (b) Either directly or indirectly through agreements or arrangements with third parties  
 6 collects payment from the purchaser and transmits all or part of the payment to the marketplace  
 7 seller.

8  
 9 A marketplace facilitator is a seller and shall comply with the provisions of this chapter. A  
 10 marketplace facilitator does not include a person who provides internet advertising services, or  
 11 product listing, and does not collect payment from the purchaser and transmit payment to the  
 12 marketplace seller, and does not include a person with respect to the provision of travel agency  
 13 services or the operation of a marketplace or that portion of a marketplace that enables consumers to  
 14 receive travel agency services. For the purposes of this subdivision, "travel agency services" means  
 15 facilitating, for a commission, fee, or other consideration, vacation or travel packages, rental car or  
 16 other travel reservations, tickets for domestic or foreign travel by air, rail, ship, bus, or other  
 17 medium of transportation, or hotel or other lodging accommodations;

18 (2) "Marketplace seller", a seller that makes sales through any electronic marketplace  
 19 operated by a marketplace facilitator;

20 (3) "Person", any individual, firm, copartnership, joint venture, association, corporation,  
 21 municipal or private, whether organized for profit or not, state, county, political subdivision, state  
 22 department, commission, board, bureau or agency, except the department of transportation, estate,  
 23 trust, business trust, receiver or trustee appointed by the state or federal court, syndicate, or any  
 24 other group or combination acting as a unit;

25 (4) "Purchaser", any person who is the recipient for a valuable consideration of any sale of  
 26 tangible personal property acquired for use, storage, or consumption in this state;

27 (5) "Retail sale", the same meaning as defined under sections 144.010 and 144.011,  
 28 excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard motors  
 29 required to be titled under the laws of the state and subject to tax under subdivision (9) of subsection  
 30 1 of section 144.020;

31 (6) "Seller", a person selling or furnishing tangible personal property or rendering services  
 32 on the receipts from which a tax is imposed under section 144.020.

33 2. (1) Beginning January 1, 2023, marketplace facilitators that engage in business activities  
 34 within this state shall register with the department to collect and remit use tax, as applicable, on  
 35 sales made through the marketplace facilitator's marketplace by or on behalf of a marketplace seller  
 36 that are delivered into the state, whether by the marketplace facilitator or another person, and  
 37 regardless of whether the marketplace seller for whom sales are facilitated possesses a retail sales  
 38 license or would have been required to collect use tax had the sale not been facilitated by the  
 39 marketplace facilitator. Such retail sales shall include those made directly by the marketplace  
 40 facilitator and shall also include those retail sales made by marketplace sellers through the  
 41 marketplace facilitator's marketplace. The collection and reporting requirements of this subsection  
 42 shall not apply to retail sales other than those made through a marketplace facilitator's marketplace.  
 43 Nothing in this section shall be construed to limit or prohibit the ability of a marketplace facilitator  
 44 and a marketplace seller to enter into agreements regarding the fulfillment of the requirements of  
 45 this chapter.

46 (2) All taxable sales made through a marketplace facilitator's marketplace by or on behalf of  
 47 a marketplace seller shall be deemed to be consummated at the location in this state to which the  
 48 item is shipped or delivered, or at which possession is taken by the purchaser.

49 3. Marketplace facilitators that are required to collect use tax under this section shall report

1 and remit the tax separately from any sales and use tax collected by the marketplace facilitator, or by  
 2 affiliates of the marketplace facilitator, which the marketplace facilitator would have been required  
 3 to collect and remit under the provisions of this chapter prior to January 1, 2023. Such tax shall be  
 4 reported and remitted as determined by the department. Marketplace facilitators shall maintain  
 5 records of all sales delivered to a location in the state, including electronic or paper copies of  
 6 invoices showing the purchaser, address, purchase amount, and use tax collected. Such records shall  
 7 be made available for review and inspection upon request by the department.

8 4. Marketplace facilitators who properly collect and remit to the department in a timely  
 9 manner use tax on sales in accordance with the provisions of this section by or on behalf of  
 10 marketplace sellers shall be eligible for any discount provided under this chapter.

11 5. A marketplace facilitator shall separately state on an invoice provided to a purchaser the  
 12 use tax collected and remitted on behalf of a marketplace seller.

13 6. Any taxpayer who remits use tax under this section shall be entitled to refunds or credits  
 14 to the same extent and in the same manner provided for in section 144.190 for taxes collected and  
 15 remitted under this section. Nothing in this section shall relieve a purchaser of the obligation to  
 16 remit use tax for any retail sale taxable under this chapter for which a marketplace facilitator or  
 17 marketplace seller does not collect and remit the use tax.

18 7. Except as provided under subsections 8 and 9 of this section, marketplace facilitators  
 19 shall be subject to the penalty provisions, procedures, and reporting requirements provided under the  
 20 provisions of this chapter.

21 8. No class action shall be brought against a marketplace facilitator in any court in this state  
 22 on behalf of purchasers arising from or in any way related to an overpayment of use tax collected on  
 23 retail sales facilitated by a marketplace facilitator, regardless of whether that claim is characterized  
 24 as a tax refund claim. Nothing in this subsection shall affect a purchaser's right to seek a refund as  
 25 provided under section 144.190.

26 9. (1) A marketplace facilitator shall be relieved from liability under this section for the  
 27 failure to collect and remit the correct amount of use tax on retail sales facilitated for marketplace  
 28 sellers under the following circumstances:

29 (a) To the extent that the marketplace facilitator demonstrates to the satisfaction of the  
 30 department that the error was due to insufficient or incorrect information given to the marketplace  
 31 facilitator by the marketplace seller; provided, however, that a marketplace facilitator shall not be  
 32 relieved of liability under this paragraph if the marketplace facilitator and the marketplace seller are  
 33 affiliated;

34 (b) To the extent that the marketplace facilitator demonstrates to the satisfaction of the  
 35 department that:

36 a. The marketplace facilitator is not the seller and that the marketplace facilitator and  
 37 marketplace seller are not affiliated;

38 b. The retail sale was facilitated for a marketplace seller through a marketplace operated by  
 39 the marketplace facilitator; and

40 c. The failure to collect and remit the correct amount of use tax was due to an error other  
 41 than an error in sourcing the sale under the provisions of this chapter.

42 (2) The relief from liability provided under subdivision (1) of this subsection shall not  
 43 exceed the following percentage of the total use tax due on retail sales facilitated by a marketplace  
 44 facilitator for marketplace sellers and sourced to this state during a calendar year, which such retail  
 45 sales shall not include retail sales made directly by the marketplace facilitator or affiliates of the  
 46 marketplace facilitator:

47 (a) For retail sales made or facilitated during the 2023 calendar year, four percent;

48 (b) For retail sales made or facilitated during the 2024 calendar year, two percent;

49 (c) For retail sales made or facilitated during the 2025 calendar year, one percent; and

(d) For retail sales made or facilitated for all years beginning on or after January 1, 2026, zero percent.

(3) To the extent that a marketplace facilitator is relieved of liability for the collection of use tax under this subsection, the marketplace seller for whom the marketplace facilitator has made or facilitated the sale shall also be relieved of liability under this subsection.

(4) The department shall determine the manner in which a marketplace facilitator or marketplace seller shall apply for and claim the relief from liability provided for under this subsection.

10. For the purposes of this section, a marketplace facilitator shall not include a third party financial institution appointed by a merchant or a marketplace facilitator to handle various forms of payment transactions, such as processing credit cards and debit cards, and whose sole activity with respect to marketplace sales is to facilitate the payment transactions between two parties.

11. The state general revenue portion from remittances made pursuant to this section, with the exception of revenues collected pursuant to section 144.701 and Article IV, Sections 43(a) and 47(a) of the Missouri Constitution, shall be deposited to the credit of the cash operating fund established pursuant to section 33.575.

12. The department may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after January 1, 2023, shall be invalid and void.

144.757. 1. Any county or municipality [~~except municipalities within a county having a charter form of government with a population in excess of nine hundred thousand,~~] may, by a majority vote of its governing body, impose a local use tax if a local sales tax is imposed as defined in section 32.085 or if a sales tax is imposed pursuant to section 94.850 or 94.890, with such local use tax imposed at a rate equal to the rate of the local sales tax [~~in effect in~~] and any sales tax imposed pursuant to section 94.850 or 94.890 by such county or municipality; provided, however, that no ordinance or order enacted pursuant to sections 144.757 to 144.761 shall be effective unless the governing body of the county or municipality submits to the voters thereof at a municipal, county or state general, primary or special election a proposal to authorize the governing body of the county or municipality to impose a local use tax pursuant to sections 144.757 to 144.761. [~~Municipalities within a county having a charter form of government with a population in excess of nine hundred thousand may, upon voter approval received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section, impose a local use tax at the same rate as the local municipal sales tax with the revenues from all such municipal use taxes to be distributed pursuant to subsection 4 of section 94.890. The municipality shall within thirty days of the approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section select one of the distribution options permitted in subsection 4 of section 94.890 for distribution of all municipal use taxes.~~

—2.] (1) The ballot of submission [~~except for counties and municipalities described in subdivisions (2) and (3) of this subsection,~~] shall contain substantially the following language: Shall the \_\_\_\_\_ (county or municipality's name) impose a local use tax at the same rate as the total local sales tax rate, [~~currently \_\_\_\_\_ (insert percent),~~] provided that if the local sales tax rate is reduced or raised by voter approval, the local use tax rate shall also be reduced or raised by the same action? [~~A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.~~] Approval of this

question will eliminate the disparity in tax rates collected by local and out-of-state sellers by imposing the same rate on all sellers.

☐ YES

☐ NO

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

(2) [(a) The ballot of submission in a county having a charter form of government with a population in excess of nine hundred thousand shall contain substantially the following language: For the purposes of enhancing county and municipal public safety, parks, and job creation and enhancing local government services, shall the county be authorized to collect a local use tax equal to the total of the existing county sales tax rate of (insert tax rate), provided that if the county sales tax is repealed, reduced or raised by voter approval, the local use tax rate shall also be repealed, reduced or raised by the same voter action? Fifty percent of the revenue shall be used by the county throughout the county for improving and enhancing public safety, park improvements, and job creation, and fifty percent shall be used for enhancing local government services. The county shall be required to make available to the public an audited comprehensive financial report detailing the management and use of the countywide portion of the funds each year. A use tax is the equivalent of a sales tax on purchases from out-of-state sellers by in-state buyers and on certain taxable business transactions. A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.

☐ YES

☐ NO

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

——— (b) The ballot of submission in a municipality within a county having a charter form of government with a population in excess of nine hundred thousand shall contain substantially the following language: Shall the municipality be authorized to impose a local use tax at the same rate as the local sales tax by a vote of the governing body, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.

☐ YES

☐ NO

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

——— (3) The ballot of submission in any city not within a county shall contain substantially the following language: Shall the \_\_\_\_\_ (city name) impose a local use tax at the same rate as the local sales tax, [currently at a rate of \_\_\_\_\_ (insert percent)] which includes the capital improvements sales tax and the transportation tax, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? [A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.] An approval of this question will eliminate the disparity in tax rates collected by local and out-of-state sellers by



1 imposing the same rate on all sellers.

2 ☐ YES

☐ NO

3  
4 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to  
5 the question, place an "X" in the box opposite "NO".

6 [(4)] 2. If any of such ballots are submitted on August 6, 1996, and if a majority of the votes  
7 cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the  
8 ordinance or order and any amendments thereto shall be in effect October 1, 1996, provided the  
9 director of revenue receives notice of adoption of the local use tax on or before August 16, 1996. If  
10 any of such ballots are submitted after December 31, 1996, and if a majority of the votes cast on the  
11 proposal by the qualified voters voting thereon are in favor of the proposal, then the ordinance or  
12 order and any amendments thereto shall be in effect on the first day of the calendar quarter which  
13 begins at least forty-five days after the director of revenue receives notice of adoption of the local  
14 use tax. If a majority of the votes cast by the qualified voters voting are opposed to the proposal,  
15 then the governing body of the county or municipality shall have no power to impose the local use  
16 tax as herein authorized unless and until the governing body of the county or municipality shall  
17 again have submitted another proposal to authorize the governing body of the county or  
18 municipality to impose the local use tax and such proposal is approved by a majority of the qualified  
19 voters voting thereon.

20 3. The local use tax may be imposed at the same rate as the local sales tax then currently in  
21 effect in the county or municipality upon all transactions which are subject to the taxes imposed  
22 pursuant to sections 144.600 to 144.745 within the county or municipality adopting such tax;  
23 provided, however, that if any local sales tax is repealed or the rate thereof is reduced or raised by  
24 voter approval, the local use tax rate shall also be deemed to be repealed, reduced or raised by the  
25 same action repealing, reducing or raising the local sales tax.

26 4. For purposes of sections 144.757 to 144.761, the use tax may be referred to or described  
27 as the equivalent of a sales tax on purchases made from out-of-state sellers by in-state buyers and on  
28 certain intrabusiness transactions. Such a description shall not change the classification, form or  
29 subject of the use tax or the manner in which it is collected.

30 144.759. 1. All local use taxes collected by the director of revenue pursuant to sections  
31 144.757 to 144.761 on behalf of any county or municipality, less one percent for cost of collection,  
32 which shall be deposited in the state's general revenue fund after payment of premiums for surety  
33 bonds as provided in section 32.087 shall be deposited with the state treasurer in a local use tax trust  
34 fund, which fund shall be separate and apart from the local sales tax trust funds. The moneys in  
35 such local use tax trust fund shall not be deemed to be state funds and shall not be commingled with  
36 any funds of the state. The director of revenue shall keep accurate records of the amount of money  
37 in the trust fund which was collected in each county or municipality imposing a local use tax, and  
38 the records shall be open to the inspection of officers of the county or municipality and to the public.  
39 No later than the tenth day of each month, the director of revenue shall distribute all moneys  
40 deposited in the trust fund during the preceding month, except as provided in subsection 2 of this  
41 section, to the county or municipality treasurer, or such other officer as may be designated by the  
42 county or municipality ordinance or order, of each county or municipality imposing the tax  
43 authorized by sections 144.757 to 144.761, the sum due the county or municipality as certified by  
44 the director of revenue.

45 2. Subject to the provisions of subsection 1 of this section, the director of revenue shall  
46 distribute all moneys which would be due any county having a charter form of government and  
47 having a population of nine hundred thousand or more to the county treasurer or such other officer  
48 as may be designated by county ordinance, who shall distribute ~~[such moneys as follows: the]~~ that

portion of the use [tax] taxes imposed by the county [which equals one-half the rate of sales tax in effect for such county shall be disbursed to the county treasurer for expenditure throughout the county for public safety, parks, and job creation, subject to any qualifications and regulations adopted by ordinance of the county. Such ordinance shall require an audited comprehensive financial report detailing the management and use of such funds each year. Such ordinance shall also require that the county and the municipal league of the county jointly prepare a strategy to guide expenditures of funds and conduct an annual review of the strategy. The treasurer or such other officer as may be designated by county ordinance shall distribute one-third of the balance to the county and to each city, town and village in group B according to section 66.620 as modified by this section, a portion of the two-thirds remainder of such balance equal to the percentage ratio that the population of each such city, town or village bears to the total population of all such group B cities, towns and villages. For the purposes of this subsection, population shall be determined by the last federal decennial census or the latest census that determines the total population of the county and all political subdivisions therein. For the purposes of this subsection, each city, town or village in group A according to section 66.620 but whose per capita sales tax receipts during the preceding calendar year pursuant to sections 66.600 to 66.630 were less than the per capita countywide average of all sales tax receipts during the preceding calendar year, shall be treated as a group B city, town or village until the per capita amount distributed to such city, town or village equals the difference between the per capita sales tax receipts during the preceding calendar year and the per capita countywide average of all sales tax receipts during the preceding calendar year] that is equal to the rate of sales taxes imposed by the county pursuant to sections 66.600 and 67.547 to the cities, towns, and villages within such county and to the unincorporated area of the county on the ratio of the population that each such city, town, village, and the unincorporated areas of the county bears to the total population of the county; provided, however, the county treasurer or other officer shall distribute that portion of the use tax imposed by the county equal to the rate of sales tax imposed by the county pursuant to section 67.547 for the purpose of funding zoological activities and zoological facilities of the zoological park subdistrict of the metropolitan zoological park and museum district as created pursuant to section 184.350.

3. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county or municipality for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties or municipalities. If any county or municipality abolishes the tax, the county or municipality shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal, and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county or municipality, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county or municipality and close the account of that county or municipality. The director of revenue shall notify each county or municipality of each instance of any amount refunded or any check redeemed from receipts due the county or municipality.

4. Except as modified in sections 144.757 to 144.761, all provisions of sections 32.085 and 32.087 applicable to the local sales tax, except for subsection 12 of section 32.087, and all provisions of sections 144.600 to 144.745 shall apply to the tax imposed pursuant to sections 144.757 to 144.761, and the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax."; and

Further amend said bill, Page 51, Section 620.2250, Line 163, by inserting after all of said section and line the following:

1       ~~["144.1000. Sections 144.1000 to 144.1015 shall be known as and referred to as the~~  
 2       ~~"Simplified Sales and Use Tax Administration Act".]~~

3       ~~[144.1003. As used in sections 144.1000 to 144.1015, the following terms shall mean:~~

- 4       ~~—— (1) "Agreement", the streamlined sales and use tax agreement;~~
- 5       ~~—— (2) "Certified automated system", software certified jointly by the states that are signatories~~  
 6       ~~to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the~~  
 7       ~~amount of tax to remit to the appropriate state and maintain a record of the transaction;~~
- 8       ~~—— (3) "Certified service provider", an agent certified jointly by the states that are signatories to~~  
 9       ~~the agreement to perform all of the seller's sales tax functions;~~
- 10       ~~—— (4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company,~~  
 11       ~~limited liability partnership, corporation or any other legal entity;~~
- 12       ~~—— (5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, or any other~~  
 13       ~~sales tax authorized by statute and levied by this state or its political subdivisions;~~
- 14       ~~—— (6) "Seller", any person making sales, leases or rentals of personal property or services;~~
- 15       ~~—— (7) "State", any state of the United States and the District of Columbia;~~
- 16       ~~—— (8) "Use tax", the use tax levied pursuant to this chapter.]~~

17       ~~[144.1006. For the purposes of reviewing and, if necessary, amending the agreement~~  
 18       ~~embodying the simplification recommendations contained in section 144.1015, the state may enter~~  
 19       ~~into multistate discussions. For purposes of such discussions, the state shall be represented by seven~~  
 20       ~~delegates, one of whom shall be appointed by the governor, two members appointed by the speaker~~  
 21       ~~of the house of representatives, one member appointed by the minority leader of the house of~~  
 22       ~~representatives, two members appointed by the president pro tempore of the senate and one member~~  
 23       ~~appointed by the minority leader of the senate. The delegates need not be members of the general~~  
 24       ~~assembly and at least one of the delegates appointed by the speaker of the house of representatives~~  
 25       ~~and one member appointed by the president pro tempore of the senate shall be from the private~~  
 26       ~~sector and represent the interests of Missouri businesses. The delegates shall recommend to the~~  
 27       ~~committees responsible for reviewing tax issues in the senate and the house of representatives each~~  
 28       ~~year any amendment of state statutes required to be substantially in compliance with the agreement.~~  
 29       ~~Such delegates shall make a written report by the fifteenth day of January each year regarding the~~  
 30       ~~status of the multistate discussions and upon final adoption of the terms of the sales and use tax~~  
 31       ~~agreement by the multistate body.]~~

32       ~~[144.1009. No provision of the agreement authorized by sections 144.1000 to 144.1015 in~~  
 33       ~~whole or in part invalidates or amends any provision of the law of this state. Implementation of any~~  
 34       ~~condition of this agreement in this state, whether adopted before, at, or after membership of this~~  
 35       ~~state in the agreement, must be by action of the general assembly. Such report shall be delivered to~~  
 36       ~~the governor, the secretary of state, the president pro tempore of the senate and the speaker of the~~  
 37       ~~house of representatives and shall simultaneously be made publicly available by the secretary of~~  
 38       ~~state to any person requesting a copy.]~~

39       ~~[144.1012. Unless five of the seven delegates agree, the delegates shall not enter into or vote~~  
 40       ~~for any streamlined sales and use tax agreement that:~~

- 41       ~~—— (1) Requires adoption of a definition of any term that would cause any item or transaction~~  
 42       ~~that is now excluded or exempted from sales or use tax to become subject to sales or use tax;~~
- 43       ~~—— (2) Requires the state of Missouri to fully exempt or fully apply sales taxes to the sale of~~  
 44       ~~food or any other item;~~
- 45       ~~—— (3) Restricts the ability of local governments under statutes in effect on August 28, 2002, to~~  
 46       ~~enact one or more local taxes on one or more items without application of the tax to all sales within~~  
 47       ~~the taxing jurisdiction, however, restriction of any such taxes allowed by statutes effective after~~  
 48       ~~August 28, 2002, may be supported;~~
- 49       ~~—— (4) Provides for adoption of any uniform rate structure that would result in a tax increase for~~

1 any Missouri taxpayer;

2 ~~—— (5) Affects the sourcing of sales tax transactions; or~~

3 ~~—— (6) Prohibits limitations or thresholds on the application of sales and use tax rates or~~  
 4 ~~prohibits any current sales or use tax exemption in the state of Missouri, including exemptions that~~  
 5 ~~are based on the value of the transaction or item.]~~

6 ~~[144.1015. In addition to the requirements of section 144.1012, the delegates should~~  
 7 ~~consider the following features when deciding whether or not to enter into any streamlined sales and~~  
 8 ~~use tax agreement:~~

9 ~~—— (1) The agreement should address the limitation of the number of state rates over time;~~

10 ~~—— (2) The agreement should establish uniform standards for administration of exempt sales~~  
 11 ~~and the form used for filing sales and use tax returns and remittances;~~

12 ~~—— (3) The agreement should require the state to provide a central, electronic registration~~  
 13 ~~system that allows a seller to register to collect and remit sales and use taxes for all signatory states;~~

14 ~~—— (4) The agreement should provide that registration with the central registration system and~~  
 15 ~~the collection of sales and use taxes in the signatory states will not be used as a factor in determining~~  
 16 ~~whether the seller has nexus with a state for any tax;~~

17 ~~—— (5) The agreement should provide for reduction of the burdens of complying with local sales~~  
 18 ~~and use taxes through the following so long as they do not conflict with the provisions of section~~  
 19 ~~144.1012:~~

20 ~~—— (a) Restricting variances between the state and local tax bases;~~

21 ~~—— (b) Requiring states to administer any sales and use taxes levied by local jurisdictions within~~  
 22 ~~the state so that sellers collecting and remitting these taxes will not have to register or file returns~~  
 23 ~~with, remit funds to, or be subject to independent audits from local taxing jurisdictions;~~

24 ~~—— (c) Restricting the frequency of changes in the local sales and use tax rates and setting~~  
 25 ~~effective dates for the application of local jurisdictional boundary changes to local sales and use~~  
 26 ~~taxes; and~~

27 ~~—— (d) Providing notice of changes in local sales and use tax rates and of changes in the~~  
 28 ~~boundaries of local taxing jurisdictions;~~

29 ~~—— (6) The agreement should outline any monetary allowances that are to be provided by the~~  
 30 ~~states to sellers or certified service providers. The agreement must allow for a joint public and~~  
 31 ~~private sector study of the compliance cost on sellers and certified service providers to collect sales~~  
 32 ~~and use taxes for state and local governments under various levels of complexity to be completed by~~  
 33 ~~July 1, 2003;~~

34 ~~—— (7) The agreement should require each state to certify compliance with the terms of the~~  
 35 ~~agreement prior to joining and to maintain compliance, under the laws of the member state, with all~~  
 36 ~~provisions of the agreement while a member, only if the agreement and any amendment thereto~~  
 37 ~~complies with the provisions of section 144.1012;~~

38 ~~—— (8) The agreement should require each state to adopt a uniform policy for certified service~~  
 39 ~~providers that protects the privacy of consumers and maintains the confidentiality of tax~~  
 40 ~~information; and~~

41 ~~—— (9) The agreement should provide for the appointment of an advisory council of private~~  
 42 ~~sector representatives and an advisory council of nonmember state representatives to consult with in~~  
 43 ~~the administration of the agreement.]"~~; and

44  
 45 Further amend said bill and page, Section B, Line 7, by inserting after all of said section and line the  
 46 following:

47  
 48 "Section C. The enactment of sections 143.177, 144.608, 144.637, 144.638, and 144.752,  
 49 the repeal and reenactment of sections 143.011, 144.011, 144.014, 144.020, 144.049, 144.054,

1 144.060, 144.140, 144.526, 144.605, 144.710, and 144.759, and the repeal of sections 144.1000,  
2 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015 shall become effective January 1, 2023.  
3 Section D. The repeal and reenactment of Section 67.2677 shall become effective August  
4 28, 2023."; and  
5  
6 Further amend said bill by amending the title, enacting clause, and intersectional references  
7 accordingly.