

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 644
101ST GENERAL ASSEMBLY

1305H.02C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 32.310, 144.605, and 144.757, RSMo, and to enact in lieu thereof five new sections relating to use taxes.

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

Section A. Sections 32.310, 144.605, and 144.757, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 32.310, 144.605, 144.637, 144.752, and 144.757, to read as follows:

- 32.310. 1. The department of revenue shall create and maintain a mapping feature on its official public website that displays sales **and use** tax information of political subdivisions of this state that have taxing authority, including the current tax rate for each sales **and use** tax imposed and collected. Such display shall have the option to showcase the borders and jurisdiction of the following political subdivisions on a map of the state to the extent that such political subdivisions collect sales **or use** tax:
- (1) Ambulance districts;
 - (2) Community improvement districts;
 - (3) Fire protection districts;
 - (4) Levee districts;
 - (5) Library districts;
 - (6) Neighborhood improvement districts;
 - (7) Port authority districts;
 - (8) Tax increment financing districts;
 - (9) Transportation development districts;
 - (10) School districts; or

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (11) Any other political subdivision that imposes a sales **or use** tax within its borders
18 and jurisdiction.

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

21 3. A political subdivision collecting sales **or use** tax listed in subsection 1 of this section
22 shall provide to the department of revenue mapping and geographic data pertaining to the
23 political subdivision's borders and jurisdictions. The political subdivision shall certify the
24 accuracy of the data by affidavit and shall provide the data in a format specified by the
25 department of revenue. Such data shall be sent to the department of revenue by April 1, 2019,
26 and shall be updated and sent to the department if a change in the political subdivision's borders
27 or jurisdiction occurs thereafter.

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

30 5. By July 1, 2019, the department shall implement the mapping feature using the data
31 provided to it under subsection 3 of this section.

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

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

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

6 (a) Maintaining or having a franchisee or licensee operating under the seller's trade name
7 in this state if the franchisee or licensee is required to collect sales tax pursuant to sections
8 144.010 to 144.525;

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

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

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

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

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

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

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

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

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

36 (f) The presumption in paragraph (e) **of this subdivision** may be rebutted by submitting
37 proof that the residents with whom the vendor has an agreement did not engage in any activity
38 within the state that was significantly associated with the vendor's ability to establish or maintain
39 the vendor's market in the state during the preceding twelve months. Such proof may consist of
40 sworn written statements from all of the residents with whom the vendor has an agreement
41 stating that they did not engage in any solicitation in the state on behalf of the vendor during the
42 preceding year provided that such statements were provided and obtained in good faith;

43 (g) **a. Beginning October 1, 2021, a vendor engages in business activities within this**
44 **state if:**

45 (i) **The cumulative gross receipts from the vendor's sales of tangible personal**
46 **property to purchasers for the purpose of storage, use, or consumption in this state are one**
47 **hundred thousand dollars or more during any twelve-month period, as determined under**
48 **subparagraph b. of this paragraph; or**

49 (ii) **The vendor enters into two hundred or more separate transactions for the sale**
50 **of tangible personal property to purchasers for the purpose of storage, use, or consumption**
51 **in this state during any twelve-month period, as determined under subparagraph b. of this**
52 **paragraph;**

53 **b. Following the close of each calendar quarter, a vendor shall determine whether**
54 **the vendor met either of the requirements provided under subparagraph a. of this**
55 **paragraph during the twelve-month period ending on the last day of the preceding**

56 **calendar quarter. If the vendor met either of such requirements for any such twelve-**
57 **month period, the vendor shall collect and remit the tax as provided under section 144.635**
58 **for a period of no less than twelve months, beginning no more than three months following**
59 **the close of the preceding calendar quarter, and shall continue to collect and remit the tax**
60 **for as long as the vendor is engaged in business activities within this state, as provided**
61 **under this paragraph, or otherwise maintains a substantial nexus with this state;**

62 (3) "Maintains a place of business in this state" includes maintaining, occupying, or
63 using, permanently or temporarily, directly or indirectly, by whatever name called, an office,
64 place of distribution, sales or sample room or place, warehouse or storage place, or other place
65 of business in this state, whether owned or operated by the vendor or by any other person other
66 than a common carrier acting in its capacity as such;

67 (4) "Person", any individual, firm, copartnership, joint venture, association, corporation,
68 municipal or private, and whether organized for profit or not, state, county, political subdivision,
69 state department, commission, board, bureau or agency, except the state transportation
70 department, estate, trust, business trust, receiver or trustee appointed by the state or federal court,
71 syndicate, or any other group or combination acting as a unit, and the plural as well as the
72 singular number;

73 (5) "Purchase", the acquisition of the ownership of, or title to, tangible personal property,
74 through a sale, as defined herein, for the purpose of storage, use or consumption in this state;

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

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

85 (8) "Sales price", the consideration including the charges for services, except charges
86 incident to the extension of credit, paid or given, or contracted to be paid or given, by the
87 purchaser to the vendor for the tangible personal property, including any services that are a part
88 of the sale, valued in money, whether paid in money or otherwise, and any amount for which
89 credit is given to the purchaser by the vendor, without any deduction therefrom on account of the
90 cost of the property sold, the cost of materials used, labor or service cost, losses or any other
91 expenses whatsoever, except that cash discounts allowed and taken on sales shall not be included

92 and "sales price" shall not include the amount charged for property returned by customers upon
93 rescission of the contract of sales when the entire amount charged therefor is refunded either in
94 cash or credit or the amount charged for labor or services rendered in installing or applying the
95 property sold, the use, storage, or consumption of which is taxable pursuant to sections 144.600
96 to 144.745. The sales price shall not include usual and customary delivery charges that are
97 separately stated. In determining the amount of tax due pursuant to sections 144.600 to 144.745,
98 any charge incident to the extension of credit shall be specifically exempted;

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

104 (10) "Storage", any keeping or retention in this state of tangible personal property
105 purchased from a vendor, except property for sale or property that is temporarily kept or retained
106 in this state for subsequent use outside the state;

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

109 (12) "Taxpayer", any person remitting the tax or who should remit the tax levied by
110 sections 144.600 to 144.745;

111 (13) "Use", the exercise of any right or power over tangible personal property incident
112 to the ownership or control of that property, except that it does not include the temporary storage
113 of property in this state for subsequent use outside the state, or the sale of the property in the
114 regular course of business;

115 (14) "Vendor", every person engaged in making sales of tangible personal property by
116 mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking
117 orders for sales of tangible personal property, for storage, use, or consumption in this state, all
118 salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of
119 the dealers, distributors, consignors, supervisors, principals or employers under whom they
120 operate or from whom they obtain the tangible personal property sold by them, and every person
121 who maintains a place of business in this state, maintains a stock of goods in this state, or
122 engages in business activities within this state, and every person who engages in this state in the
123 business of acting as a selling agent for persons not otherwise vendors as defined in this
124 subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of
125 the dealers, distributors, consignors, supervisors, principals or employers, they must be regarded
126 as vendors and the dealers, distributors, consignors, supervisors, principals, or employers must
127 be regarded as vendors for the purposes of sections 144.600 to 144.745.

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 144.746.

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 a database that assigns each five- and nine-digit zip code to the proper rates and taxing jurisdictions. The lowest combined tax rate imposed in the zip code area shall apply if the area includes more than one tax rate in any level of taxing jurisdiction. 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 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 nine-digit zip code designation by utilizing software approved by the director that makes this designation from the street address and the five-digit zip code applicable to a purchase.

4. The director may provide address-based boundary database records for assigning taxing jurisdictions and associated rates in addition to the requirements of subsection 3 of this section. The database records shall be in the same approved format as the database required under subsection 3 of this section and shall meet the requirements developed under the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the director develops address-based assignment database records, vendors shall be required to use such database records. A vendor shall use such database records in place of the five- and nine-digit zip code database records provided for in subsection 3 of this section. 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

37 the address and zip code information applicable to the purchase. If the director has met
38 the requirements of subsection 3 of this section, the director may also elect to certify
39 address-based databases provided by third parties for assigning tax rates and jurisdictions.
40 The databases shall be in the same approved format as the database records under this
41 section and shall meet the requirements developed under the federal Mobile
42 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the director certifies an
43 address-based database provided by a third party, a vendor may use such database in
44 place of the database records provided for in this subsection.

45 5. The electronic databases and database records provided for in subsections 1 to
46 4 of this section shall be in downloadable format as determined by the director. The
47 databases and database records may be directly provided by the director or provided by
48 a third party as designated by the director. The databases and database records shall be
49 provided at no cost to users. The provisions of subsections 3 and 4 of this section shall not
50 apply if the purchased product is received by the purchaser at the business location of the
51 vendor.

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

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

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

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

6 (b) Either directly or indirectly through agreements or arrangements with third
7 parties collecting payment from the purchaser and transmitting such payment to the
8 marketplace seller regardless of whether the marketplace facilitator receives compensation
9 or other consideration in exchange for its services.

10

11 A marketplace facilitator is a seller and shall comply with the provisions of this chapter.
12 A marketplace facilitator does not include a person who provides internet advertising
13 services, or product listing, and does not collect payment from the purchaser and transmit
14 payment to the marketplace seller, and does not include a person with respect to the
15 provision of travel agency services or the operation of a marketplace or that portion of a
16 marketplace that enables consumers to receive travel agency services. For the purposes
17 of this subdivision, "travel agency services" means facilitating, for a commission, fee, or
18 other consideration, vacation or travel packages, rental car or other travel reservations,

19 tickets for domestic or foreign travel by air, rail, ship, bus, or other medium of
20 transportation, or hotel or other lodging accommodations;

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

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

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

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

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

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

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

55 **3. Marketplace facilitators that are required to collect use tax under this section**
56 **shall report and remit the tax separately from any sales and use tax collected by the**
57 **marketplace facilitator, or by affiliates of the marketplace facilitator, which the**
58 **marketplace facilitator would have been required to collect and remit under the provisions**
59 **of this chapter prior to January 1, 2023. Such tax shall be reported and remitted as**
60 **determined by the department. Marketplace facilitators shall maintain records of all sales**
61 **delivered to a location in the state, including electronic or paper copies of invoices showing**
62 **the purchaser, address, purchase amount, and use tax collected. Such records shall be**
63 **made available for review and inspection upon request by the department.**

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

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

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

75 **7. Except as provided under subsections 8 and 9 of this section, marketplace**
76 **facilitators shall be subject to the penalty provisions, procedures, and reporting**
77 **requirements provided under the provisions of this chapter.**

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

83 **9. (1) A marketplace facilitator shall be relieved from liability under this section**
84 **for the failure to collect and remit the correct amount of use tax on retail sales facilitated**
85 **for marketplace sellers under the following circumstances:**

86 **(a) To the extent that the marketplace facilitator demonstrates to the satisfaction**
87 **of the department that the error was due to insufficient or incorrect information given to**
88 **the marketplace facilitator by the marketplace seller; provided, however, that a**
89 **marketplace facilitator shall not be relieved of liability under this paragraph if the**
90 **marketplace facilitator and the marketplace seller are affiliated;**

91 **(b) To the extent that the marketplace facilitator demonstrates to the satisfaction**
92 **of the department that:**

93 **a. The marketplace facilitator is not the seller and that the marketplace facilitator**
94 **and marketplace seller are not affiliated;**

95 **b. The retail sale was facilitated for a marketplace seller through a marketplace**
96 **operated by the marketplace facilitator; and**

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

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

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

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

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

107 **and**

108 **(d) For retail sales made or facilitated for all years beginning on or after January**
109 **1, 2026, zero percent.**

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

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

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

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

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

144.757. 1. Any county or municipality, ~~[except municipalities within a county having~~
2 ~~a charter form of government with a population in excess of nine hundred thousand,]~~ may, by
3 a majority vote of its governing body, impose a local use tax if a local sales tax is imposed as
4 defined in section 32.085 at a rate equal to the rate of the local sales tax in effect in such county
5 or municipality; provided, however, that no ordinance or order enacted pursuant to sections
6 144.757 to 144.761 shall be effective unless the governing body of the county or municipality
7 submits to the voters thereof at a municipal, county or state general, primary or special election
8 a proposal to authorize the governing body of the county or municipality to impose a local use
9 tax pursuant to sections 144.757 to 144.761. ~~[Municipalities within a county having a charter~~
10 ~~form of government with a population in excess of nine hundred thousand may, upon voter~~
11 ~~approval received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section,~~
12 ~~impose a local use tax at the same rate as the local municipal sales tax with the revenues from~~
13 ~~all such municipal use taxes to be distributed pursuant to subsection 4 of section 94.890. The~~
14 ~~municipality shall within thirty days of the approval of the use tax imposed pursuant to paragraph~~
15 ~~(b) of subdivision (2) of subsection 2 of this section select one of the distribution options~~
16 ~~permitted in subsection 4 of section 94.890 for distribution of all municipal use taxes.]~~

17 2. (1) The ballot of submission, ~~[except for counties and municipalities described in~~
18 ~~subdivisions (2) and (3) of this subsection,]~~ shall contain substantially the following language:

19
20 Shall the _____ (county or municipality's name) impose a local use tax at the
21 same rate as the total local sales tax rate, ~~[currently _____ (insert percent),]~~
22 provided that if the local sales tax rate is reduced or raised by voter approval, the
23 local use tax rate shall also be reduced or raised by the same action? ~~[A use tax~~
24 ~~return shall not be required to be filed by persons whose purchases from~~
25 ~~out-of-state vendors do not in total exceed two thousand dollars in any calendar~~
26 ~~year.] Approval of this question will eliminate the disparity in tax rates~~

27 **collected by local and out-of-state sellers by imposing the same rate on all**
28 **sellers.**

29 YES NO

30

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

33 ~~[(2) (a) The ballot of submission in a county having a charter form of government with~~
34 ~~a population in excess of nine hundred thousand shall contain substantially the following~~
35 ~~language:~~

36

37 ~~For the purposes of enhancing county and municipal public safety, parks, and job~~
38 ~~creation and enhancing local government services, shall the county be authorized~~
39 ~~to collect a local use tax equal to the total of the existing county sales tax rate of~~
40 ~~(insert tax rate), provided that if the county sales tax is repealed, reduced or~~
41 ~~raised by voter approval, the local use tax rate shall also be repealed, reduced or~~
42 ~~raised by the same voter action? Fifty percent of the revenue shall be used by the~~
43 ~~county throughout the county for improving and enhancing public safety, park~~
44 ~~improvements, and job creation, and fifty percent shall be used for enhancing~~
45 ~~local government services. The county shall be required to make available to the~~
46 ~~public an audited comprehensive financial report detailing the management and~~
47 ~~use of the countywide portion of the funds each year.~~

48

49 ~~A use tax is the equivalent of a sales tax on purchases from out-of-state sellers~~
50 ~~by in-state buyers and on certain taxable business transactions. A use tax return~~
51 ~~shall not be required to be filed by persons whose purchases from out-of-state~~
52 ~~vendors do not in total exceed two thousand dollars in any calendar year.~~

53 ~~YES NO~~

54

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

57 ~~(b) The ballot of submission in a municipality within a county having a charter form of~~
58 ~~government with a population in excess of nine hundred thousand shall contain substantially the~~
59 ~~following language:~~

60

61 ~~Shall the municipality be authorized to impose a local use tax at the same rate as~~
62 ~~the local sales tax by a vote of the governing body, provided that if any local sales~~

63 ~~tax is repealed, reduced or raised by voter approval, the respective local use tax~~
 64 ~~shall also be repealed, reduced or raised by the same action? A use tax return~~
 65 ~~shall not be required to be filed by persons whose purchases from out-of-state~~
 66 ~~vendors do not in total exceed two thousand dollars in any calendar year.~~

67 ~~_____ YES _____ NO~~

68
 69 ~~_____ If you are in favor of the question, place an "X" in the box opposite "YES". If you~~
 70 ~~are opposed to the question, place an "X" in the box opposite "NO".]~~

71 ~~[(3)]~~ (2) The ballot of submission in any city not within a county shall contain
 72 substantially the following language:

73
 74 Shall the _____ (city name) impose a local use tax at the same rate as the local
 75 sales tax, [~~currently at a rate of _____ (insert percent)~~] which includes the
 76 capital improvements sales tax and the transportation tax, provided that if any
 77 local sales tax is repealed, reduced or raised by voter approval, the respective
 78 local use tax shall also be repealed, reduced or raised by the same action? [~~A use~~
 79 ~~tax return shall not be required to be filed by persons whose purchases from~~
 80 ~~out-of-state vendors do not in total exceed two thousand dollars in any calendar~~
 81 ~~year.] **Approval of this question will eliminate the disparity in tax rates**
 82 **collected by local and out-of-state sellers by imposing the same rate on all**
 83 **sellers.**~~

84 YES NO

85
 86 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 87 are opposed to the question, place an "X" in the box opposite "NO".

88 [(4)] (3) If any of such ballots are submitted on August 6, 1996, and if a majority of the
 89 votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then
 90 the ordinance or order and any amendments thereto shall be in effect October 1, 1996, provided
 91 the director of revenue receives notice of adoption of the local use tax on or before August 16,
 92 1996. If any of such ballots are submitted after December 31, 1996, and if a majority of the votes
 93 cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the
 94 ordinance or order and any amendments thereto shall be in effect on the first day of the calendar
 95 quarter which begins at least forty-five days after the director of revenue receives notice of
 96 adoption of the local use tax. If a majority of the votes cast by the qualified voters voting are
 97 opposed to the proposal, then the governing body of the county or municipality shall have no
 98 power to impose the local use tax as herein authorized unless and until the governing body of the

99 county or municipality shall again have submitted another proposal to authorize the governing
100 body of the county or municipality to impose the local use tax and such proposal is approved by
101 a majority of the qualified voters voting thereon.

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

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

✓