

FIRST REGULAR SESSION

# HOUSE BILL NO. 1209

## 101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MORSE.

2104H.03I

DANA RADEMAN MILLER, Chief Clerk

### AN ACT

To repeal section 105.145, RSMo, and to enact in lieu thereof one new section relating to political subdivisions, with a penalty provision.

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

Section A. Section 105.145, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 105.145, to read as follows:

105.145. 1. The following definitions shall be applied to the terms used in this section:

(1) "Governing body", the board, body, or persons in which the powers of a political subdivision as a body corporate, or otherwise, are vested;

(2) "Political subdivision", any agency or unit of this state, except counties and school districts, which now is, or hereafter shall be, authorized to levy taxes or empowered to cause taxes to be levied.

2. The governing body of each political subdivision in the state shall cause to be prepared an annual report of the financial transactions of the political subdivision in such summary form as the state auditor shall prescribe by rule, except that the annual report of political subdivisions whose cash receipts for the reporting period are ten thousand dollars or less shall only be required to contain the cash balance at the beginning of the reporting period, a summary of cash receipts, a summary of cash disbursements and the cash balance at the end of the reporting period.

3. Within such time following the end of the fiscal year as the state auditor shall prescribe by rule, the governing body of each political subdivision shall cause a copy of the annual financial report to be remitted to the state auditor.

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           4. The state auditor shall immediately on receipt of each financial report acknowledge  
18 the receipt of the report.

19           5. In any fiscal year no member of the governing body of any political subdivision of the  
20 state shall receive any compensation or payment of expenses after the end of the time within  
21 which the financial statement of the political subdivision is required to be filed with the state  
22 auditor and until such time as the notice from the state auditor of the filing of the annual financial  
23 report for the fiscal year has been received.

24           6. The state auditor shall prepare sample forms for financial reports and shall mail the  
25 same to the political subdivisions of the state. Failure of the auditor to supply such forms shall  
26 not in any way excuse any person from the performance of any duty imposed by this section.

27           7. All reports or financial statements hereinabove mentioned shall be considered to be  
28 public records.

29           8. The provisions of this section apply to the board of directors of every transportation  
30 development district organized under sections 238.200 to 238.275.

31           9. Any political subdivision that fails to timely submit a copy of the annual financial  
32 statement to the state auditor shall be subject to a fine of five hundred dollars per day. **However,**  
33 **for any municipality with fewer than three thousand five hundred inhabitants, the**  
34 **collective total of fines under this subsection shall not exceed ten percent of the total sales**  
35 **and use tax revenue of the fiscal year for which the annual financial statement was not**  
36 **timely filed.**

37           10. The state auditor shall report any violation of subsection 9 of this section to the  
38 department of revenue. Upon notification from the state auditor's office that a political  
39 subdivision failed to timely submit a copy of the annual financial statement, the department of  
40 revenue shall notify such political subdivision by certified mail that the statement has not been  
41 received. **If the political subdivision is a municipality with fewer than three thousand five**  
42 **hundred inhabitants, the department of revenue shall send the notice to both the chief**  
43 **executive and chief financial officer of the municipality.** Such notice shall clearly set forth  
44 the following:

45           (1) The name of the political subdivision;

46           (2) That the political subdivision shall be subject to a fine of five hundred dollars per day  
47 if the political subdivision does not submit a copy of the annual financial statement to the state  
48 auditor's office within thirty days from the postmarked date stamped on the certified mail  
49 envelope;

50           (3) That the fine will be enforced and collected as provided under subsection 11 of this  
51 section; and

52           (4) That the fine will begin accruing on the thirty-first day from the postmarked date  
53 stamped on the certified mail envelope and will continue to accrue until the state auditor's office  
54 receives a copy of the financial statement.

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56 In the event a copy of the annual financial statement is received within such thirty-day period,  
57 no fine shall accrue or be imposed. The state auditor shall report receipt of the financial  
58 statement to the department of revenue within ten business days. Failure of the political  
59 subdivision to submit the required annual financial statement within such thirty-day period shall  
60 cause the fine to be collected as provided under subsection 11 of this section.

61           11. The department of revenue may collect the fine authorized under the provisions of  
62 subsection 9 of this section by offsetting any sales or use tax distributions due to the political  
63 subdivision. The director of revenue shall retain two percent for the cost of such collection. The  
64 remaining revenues collected from such violations shall be distributed annually to the schools  
65 of the county in the same manner that proceeds for all penalties, forfeitures, and fines collected  
66 for any breach of the penal laws of the state are distributed.

67           12. Any transportation development district organized under sections 238.200 to 238.275  
68 having gross revenues of less than five thousand dollars in the fiscal year for which the annual  
69 financial statement was not timely filed shall not be subject to the fine authorized in this section.

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